



**ENVIRONMENTAL MANAGEMENT,  
GREEN CONSTRUCTION, CLIMATE  
ACTION AND SUSTAINABLE  
BIODIVERSITY POLICY**

**CH. KARNCHANG  
PUBLIC COMPANY LIMITED**



## **Environmental Management, Green Construction, Climate Action and Sustainable Biodiversity Policy**

CH. Karnchang Public Company Limited is committed to becoming a regional leader in the sustainable infrastructure-related construction and engineering businesses. This is achieved by recognizing that the primary factors that support and foster sustainable business growth must include environmental management, green construction (environmentally friendly), climate change action, and biodiversity conservation, together with air pollution management, waste management, and efficient resource use across the entire value chain.

This Policy applies to all operations, including manufacturing, business facilitation, and the operations of business partners in the value chain, from planning, design, procurement, construction, service, and the management of waste and end-of-life products. It also covers both direct and indirect business partners, as well as other stakeholders.

Accordingly, CH. Karnchang Public Company Limited has established this Policy, which was refined from the Code of Ethics: Chapter 8 Desirable Behavior to Environment, and the Environmental and Energy Policy, to serve as guidance for effective and efficient implementation, as follows:

### **1. Environmental Management (Environmental & Pollution Management)**

CH. Karnchang conducts its business in compliance with legal requirements, including environmental standards, aligned with all relevant issues from the local to the global scale. The Company considers the control of environmental impacts arising from its business operations, such as pollution, excessive consumption of resources and energy, as well as environmentally friendly planning and design, from material selection and construction processes through to project handover. The Company also considers climate change impacts and biodiversity impacts in parallel.



### **Pollution**

The Company attaches importance to systematic air pollution management, covering particulate matter (e.g., PM10/PM2.5), smoke, noise, and emissions from machinery and/or vehicles, by establishing control measures, monitoring, and continuous improvement at the project level.

### **Waste Management**

The Company is committed to efficient waste and waste-disposal management by promoting waste reduction at source, segregation, reuse, recycling, and lawful disposal. Responsible personnel, monitoring processes, and reporting are defined at the project level, with an aim of reducing construction waste, both hazardous and non-hazardous, by minimizing landfill disposal, and increasing systematic reuse/recycling. In addition, the Company prepares a Site Waste Management Plan and continuously monitors the Waste Diversion Rate to enhance performance.

### **Resource Efficiency**

The Company is committed to efficient resource management, focusing on reducing unnecessary resource consumption, increasing the use of alternative and/or recycled materials, and adopting design and construction practices that reduce resource loss throughout the project life cycle. The aim is to use resources efficiently and sustainably, covering raw materials, construction materials, energy, and other natural resources.

**2. Green Construction:** CH. Karnchang advocates for environmentally friendly construction (green construction), such as the design and construction of green buildings; the selection of safe and energy-efficient materials, or low-carbon emission materials; and the avoidance of construction materials that may emit Volatile Organic Compounds (VOCs). The Company does not use construction materials containing asbestos, avoids the use of materials with hazardous substances, and uses materials with Life Cycle Assessment (LCA) results. The Company also implements sustainable supply chain management, green procurement, along with guidelines that enable the reuse or processing of construction materials to reduce raw material consumption and waste.



**3. Climate Change (Climate Change & Water Management):** CH. Karnchang conducts its business in alignment with the goals of the Paris Agreement, aiming to achieve net-zero carbon emissions by 2065, and to use natural resources, energy, and water sustainably through eco-efficiency and circular economy practices. The Company is committed to reducing pollution, wastewater generation, and waste (both hazardous and non-hazardous), with landfill disposal minimized as far as practicable. The Company discloses its greenhouse gas emissions data, assesses climate change risks, identifies related impacts on the business, and implements approaches for managing risks arising from climate change. Furthermore, the Company recognizes the importance of sustainable water management and is committed to reducing water consumption and improving water-use efficiency in construction processes and operations through the formulation of measures for water-use monitoring, loss prevention, the adoption of technologies/practices that reduce water use, and wastewater treatment and reuse where appropriate.

**4. Biodiversity:** CH. Karnchang is committed to conserving biodiversity and ecosystems by avoiding and reducing biodiversity impacts arising from its business operations and creating a net positive impact on nature, while also giving priority to biodiversity protection, including assessments of biodiversity impacts with CH. Karnchang's equipment, processes, and operational procedures.

**5. Environmental Reporting:** CH. Karnchang establishes an environmental management system that is regarded as an integral part of its business operations, including regular monitoring and reporting on development performance, as well as management system audits and assessments to enhance environmental performance. The Company ensures disclosure, transparency, and accountability in reporting, and engages in discussions with stakeholders on performance in line with stakeholders' expectations.

**6. Materiality:** CH. Karnchang assesses and identifies material sustainability issues (materiality) related to environmental management, energy conservation, climate action, green construction, and sustainable biodiversity, while also establishing key performance indicators and strategies to achieve its operational targets.



**7. Communication, Engagement and Training:** CH. Karnchang strengthens knowledge communication, supports employee engagement, and fosters employee awareness of environmental management, energy conservation, climate action, green construction, and sustainable biodiversity; cultivates employee consciousness and engagement in social responsibility and public-mindedness, including encouraging prudent and sustainable resource use, as well as providing training for employees, contractors, customers, business partners, and relevant stakeholders, for example, training on efficient resource and waste management, guidelines for energy and water consumption reduction, and the reuse or processing of construction materials to reduce raw materials and waste. Additionally, the Company provides communication channels to receive opinions, suggestions, and complaints from employees, for consideration and continuous improvement in environmental management.

To ensure that this Environmental Management, Green Construction, Climate Action and Sustainable Biodiversity Policy is embedded as part of the corporate culture and implemented in practice, all of the Company's work units are requested to adopt and apply this Policy as appropriate to business operations in support of sustainable development.

Announced on May 26, 2023.