

Environmental and Social Due Diligence (ESDD) Summary

Issuer	PowerDC Holdco Pte Ltd (“PowerDC” or the “Company”)
Use of CGIF’s guarantee	To refinance existing debt originally used for the acquisition of the PCCW Data Centre portfolio
Countries of operations	Hong Kong/Malaysia
Categorisation	General-purpose Corporate Bond (GCB) ESMS – Low

Environmental and social management system (ESMS)	<p>PowerDC’s ultimate parent company, Vantage has an existing Integrated Management System (IMS) which includes an Environmental, Health, and Safety (EHS) Manual, an Environmental Management System (EMS), and a guidance document for Environmental Site Management. All sites, including PowerDC’s Hong Kong and Malaysia sites, are expected to implement this global IMS, which includes ISO 9001:2015-Quality Management System and ISO 14001:2015-Environmental Management System certification. A global ESG Policy, adopted across all Vantage entities including PowerDC, is also in place, which the environmental and social due diligence (ESDD) found to be generally aligned with CGIF Environmental and Social Safeguards (ESS) and ADB Safeguard Policy Statement (SPS) requirements.</p> <p>While relevant environmental and social (E&S) management plans based on ISO standards are in place, the ESDD observed that certain management plans needed minor enhancements to reflect local regulatory referencing (in Hong Kong and Malaysia), as well as CGIF ESS requirements. These management plans included energy and water conservation, waste management, climate risk assessments, and occupational health and safety (OHS). To reflect these identified gaps, a PowerDC level ESMS, based on the Vantage IMS, has been developed prior to issuance, to align and support PowerDC’s operations in Hong Kong and Malaysia. The ESMS includes an extended E&S Policy, E&S risk screening procedures and operational E&S management frameworks to align existing E&S management plans with local Hong Kong and Malaysian regulations.</p> <p>Vantage’s E&S management procedures do not explicitly cover Indigenous people or involuntary resettlement management. However, since neither of these issues is triggered, or likely to be triggered under the UOP, a policy improvement in this area is not deemed necessary.</p>
Screening and identification of risks	The ESDD confirmed that the overall ESS risk applied to the transaction was LOW, given the existence of a formalized corporate IMS and ESG Policy adopted across all Vantage entities including PowerDC.

	<p>PowerDC’s data center operations are deemed classified (under ADB SPS) as Category B for the environment and Category C for both involuntary resettlement and Indigenous Peoples.</p> <p>Potential E&S risks and impacts associated with the data centers operational activities are generally site-specific and can be effectively mitigated through readily designed measures. Key environmental risks include high energy and water consumption, primarily driven by the demands of servers and cooling systems which are typical operational-related impacts. The high energy demand of the data centers leads to a larger carbon footprint. However, Vantage is committed to achieving net-zero operational carbon emissions (scopes 1 and 2) by 2030 across its global portfolio, including Hong Kong and Malaysia. Power DC, through Vantage, can be considered as “Paris Agreement Aligned” (PAA) as the company continue to use clean energy supply and carbon removal procurement strategies (including refrigerants). Other impacts include the generation of electronic and hazardous waste and minor OHS issues which are only temporary and can easily be mitigated by appropriate management measures.</p> <p>No involuntary resettlement was identified across the sites under the UOP sites, with all lease agreements reviewed and confirmed. The ESDD confirmed that the sites are in commercial/industrial land with no physical or economic displacement, supporting a deemed Category C categorization. Given the urban locations of Hong Kong and Malaysia, the transaction is deemed classified as category C for Indigenous Peoples (IP) as there are no ethnic minority communities within the project's area of influence.</p>
<p>Institutional capacity, commitment and development</p>	<p>An ESMS Manager has been appointed to ensure the effective and consistent implementation of the ESMS across all PowerDC sites. The ESMS Manager is supported by one EHS Manager who is responsible for overseeing the Hong Kong sites and another EHS Manager for the Malaysian sites.</p> <p>As a post-issuance requirement, CGIF will provide high-level ESMS awareness training to relevant PowerDC (and Vantage) personnel, including those with designated roles and responsibilities under the ESMS. The ESMS also incorporates the requirement to develop an E&S competence and training framework to effectively implement, manage and cascade the ESMS and E&S requirements to relevant staff. Ongoing monitoring of the deployment of the ESMS, and cascade to operational staff are a requirement of the financing agreement via the annual reporting framework (see below).</p>
<p>Stakeholder communication, participation and consultation</p>	<p>PowerDC’s ESMS includes a Stakeholder Engagement and Grievance Management Framework outlining procedures for both internal and external communication. The SEP includes requirements for disclosure of E&S-related information to local communities, as relevant. A Grievance Redress Mechanism (GRM) is also included in the ESMS to address concerns from all stakeholders related to E&S risks and impacts,</p>

	<p>ensuring compliance with CGIF ESS. The ESMS has incorporated a recording and monitoring procedure of grievances received, which can be part of annual reporting to CGIF.</p>
<p>Reporting requirements</p>	<p>The ESMS Manager will monitor and report PowerDC’s environmental and social (E&S) performance to CGIF through annual Environmental and Social Safeguards Performance Reports (ESSPR). These reports will provide summary updates on the implementation of E&S measures, any incidents or non-compliance issues and their mitigation measures, as well as compliance with regulatory requirements as outlined in the legal register.</p> <p>A GHG compliance certificate will also be submitted to CGIF annually. This certificate will detail PowerDC’s GHG usage and emissions during the reporting period, including information on the use and replacement of GHG refrigerants R32 and R417 in PowerDC’s operations.</p>

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