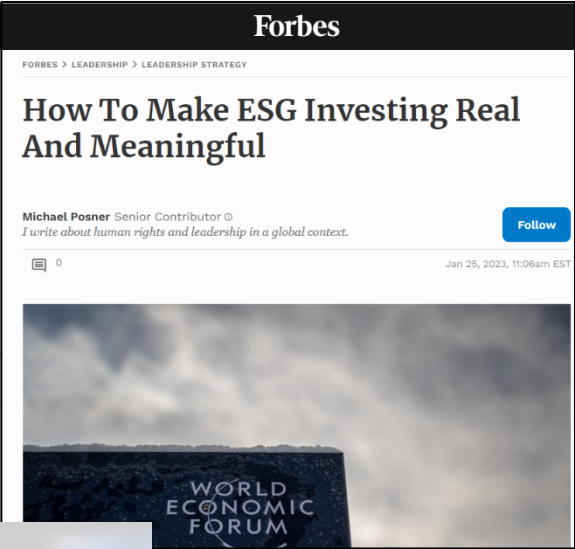
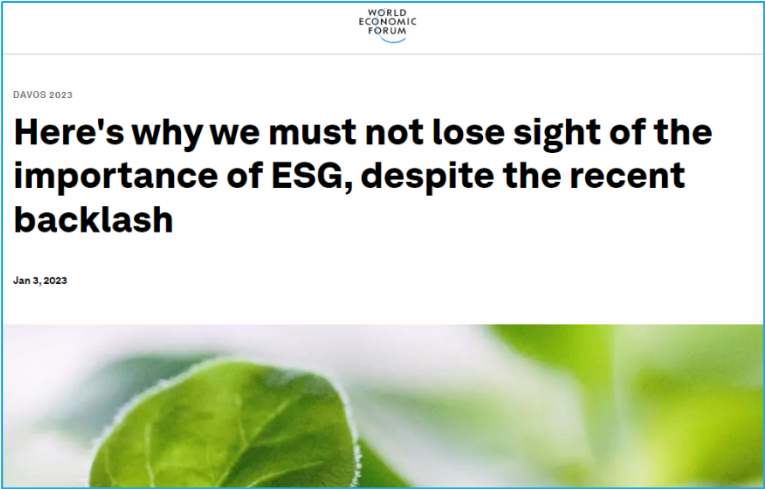




Shape the ESG future

October 2024

What is the Media saying?



ESG可持续发展咨询经理【上海】 30-55k

5-10年 统招本科 ESG咨询 团队管理 咨询服务 Elasticsearch 服务业

普华永道中天会计师事务所(特殊普通合伙) 专业技术服务 10000人以上

ESG可持续发展 - 高级咨询经理【上海】 50-75k

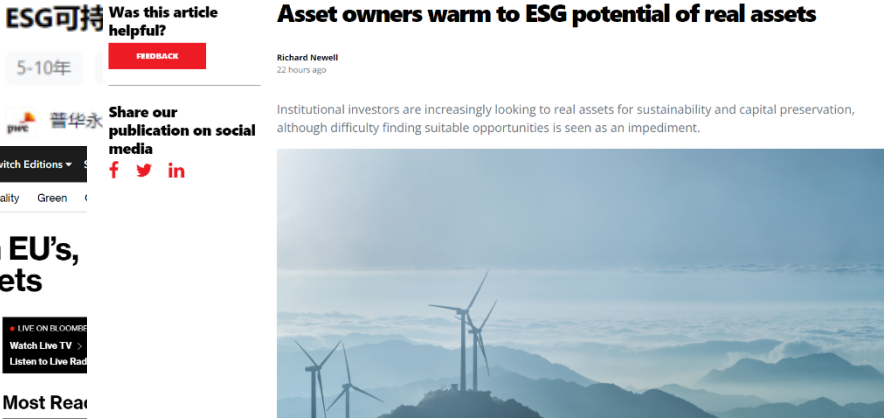
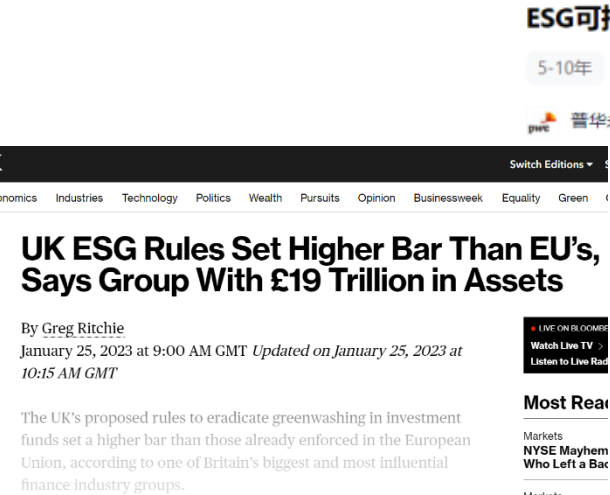
5-10年 本科 ESG咨询 咨询服务 服务业 Elasticsearch

普华永道中天会计师事务所(特殊普通合伙) 专业技术服务 10000人以上

ESG Strategy(IPD)-SM/AD【上海-浦东新区】 50-80k

10年以上 本科 .NET

普华永道中天会计师事务所(特殊普通合伙) 专业技术服务 10000人以上



ESG

The term was introduced in 2005 in a report called “Who Cares Wins”.

It’s the notion that better consideration and management of environmental, social, and governance factors will contribute to stronger and more resilient investment markets, as well as contribute to the sustainable development of the societies in which they operate.

ESG data provides a view of a company and its long-term value potential and relevance to its stakeholders.



Environmental



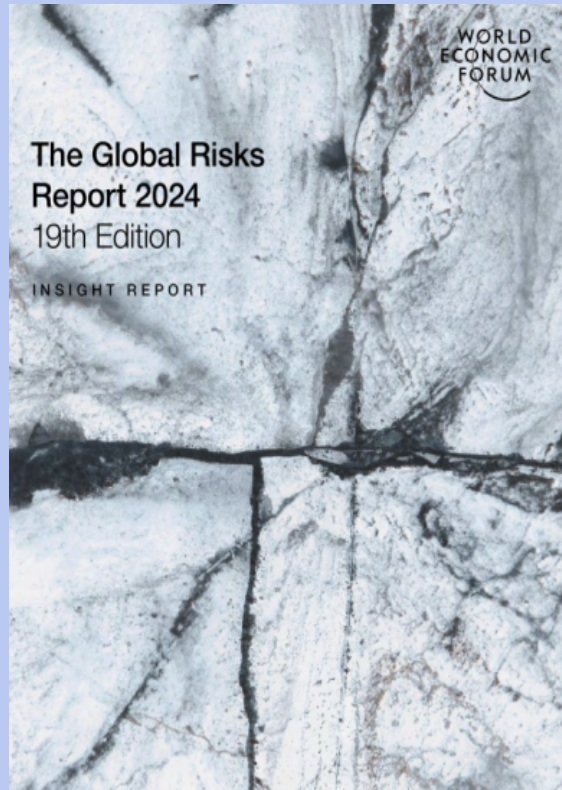
Social



Governance

Global risks ranked by severity

- The *Global Risks Report 2024* presents the findings of the Global Risks Perception Survey (GRPS), which captures insights from nearly 1,500 global experts.
- Environmental risks continue to dominate the risks landscape over all three time frames. Two-thirds of GRPS respondents rank Extreme weather as the top risk most likely to present a material crisis on a global scale in 2024.



10 years

1 st	Extreme weather events
2 nd	Critical change to Earth systems
3 rd	Biodiversity loss and ecosystem collapse
4 th	Natural resource shortages
5 th	Misinformation and disinformation
6 th	Adverse outcomes of AI technologies
7 th	Involuntary migration
8 th	Cyber insecurity
9 th	Societal polarization
10 th	Pollution



Beyond environmental issues

Pillars in ESG frameworks that represent 3 main topic areas that companies are expected to report on; the goal being to capture all the **non-financial risks and opportunities** inherent to a company's day to day activities.

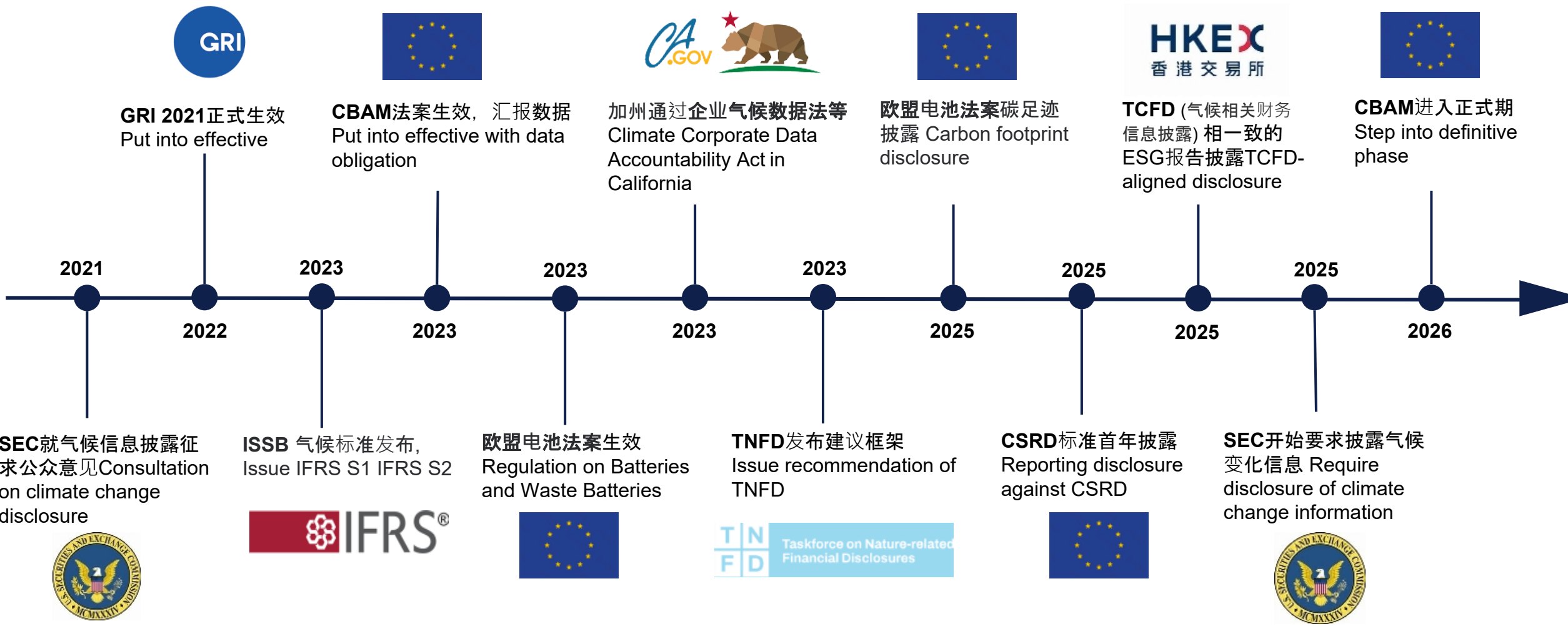


Note: Adapted from SASB & other generally accepted frameworks

Who is driving the ESG debate?

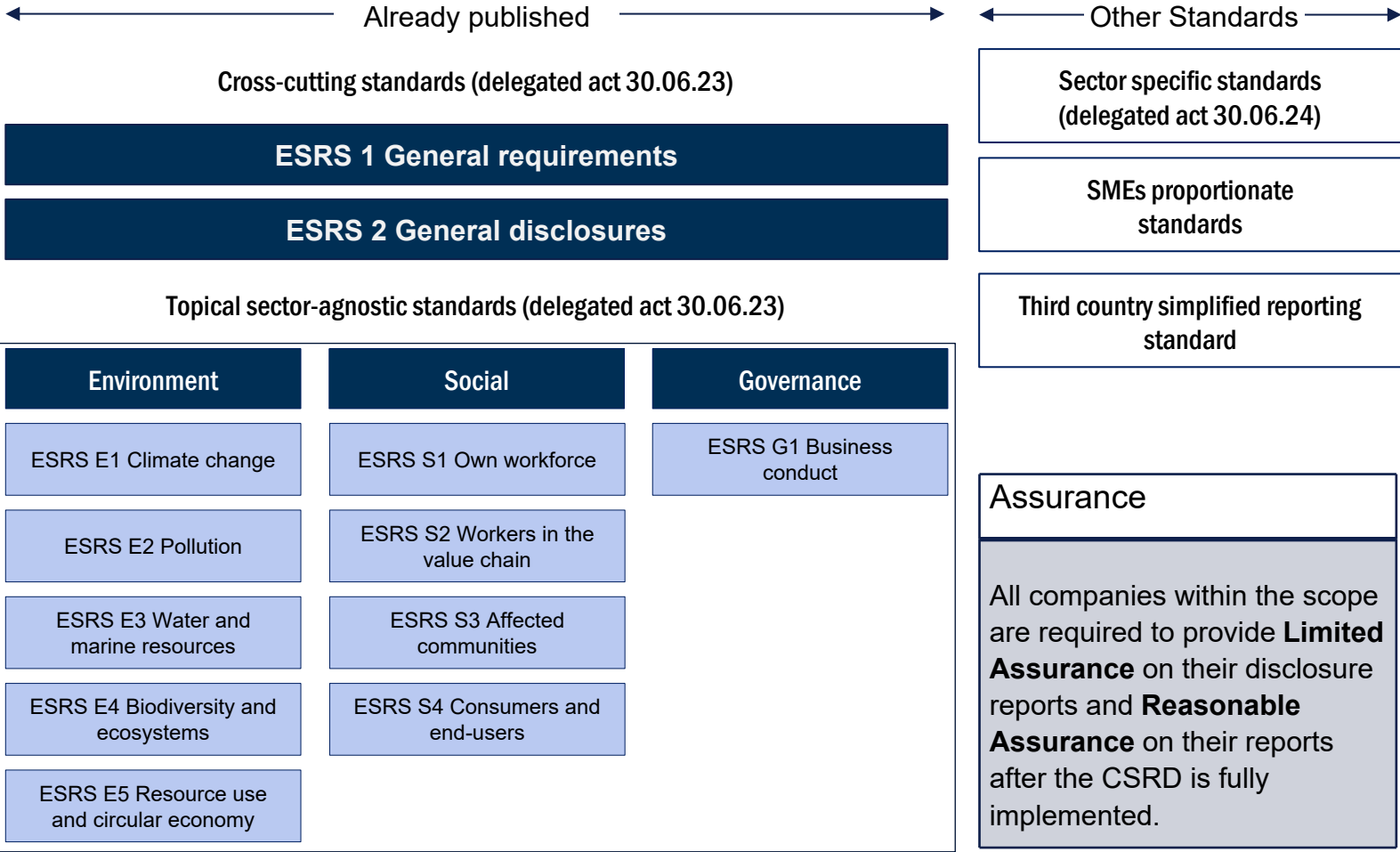


Trends in ESG



Corporate Sustainability Reporting Directive(CSRD)

- ◆ CSRD is an EU legislation that will make sustainability reporting by companies more consistent, so that financial firms, investors and the broader public can use comparable and reliable sustainability information.
- ◆ European Sustainability Reporting Standards is a set of detailed disclosure (reporting) requirements developed by the European Financial Reporting Advisory Group (EFRAG) as mandated by the European Commission under the CSRD.



Note: More information about the standards is available at www.efrag.org/lab6

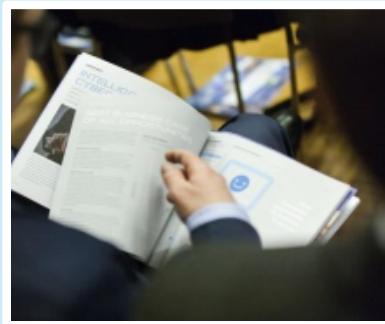
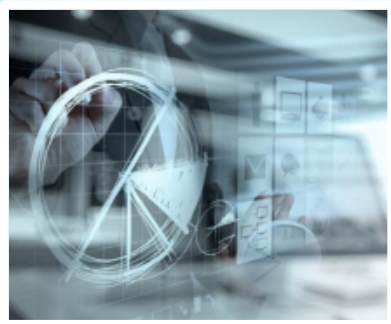
China Corporate Sustainability Reporting Guidelines

On April 12, 2024, under the unified deployment and guidance of the **China Securities Regulatory Commission**, the Shanghai/Shenzhen/Beijing Stock Exchange officially issued the guidelines on sustainable development reporting of listed companies, which will be implemented from May 1, 2024.



ESG信息披露的“半强制性”	
要求	范围
强制	<ul style="list-style-type: none">• 上证180指数• 科创50指数• 深证100指数• 创业板指数样本公司• 境内外同时上市的公司
鼓励	其他有条件的上市公司

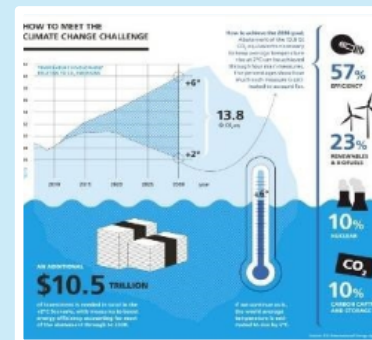
DNV ESG services



REPORTING & ASSURANCE



VALUE CHAINS



CLIMATE CHANGE



SUSTAINABLE FINANCE

We help put sustainable practices at the heart of companies' business models

Services include:

- Materiality Analysis
- Global Opportunity Assessment (SDG's)
- Stakeholder engagement
- Benchmarking
- Strategy Development, Implementation Support & Review

We help companies communicate sustainability performance and create trust through independent assessment

Services include:

- Writing & design of corporate communications
- Data sourcing & measurement
- Pre-assurance assessments
- Assurance
- Integrated assurance
- Carbon model assurance

We help organisations increase trust and visibility of their value chain

Services include:

- ISO 20400 assessments
- Supplier evaluation, audits & assessment
- Buyer & supplier engagement & training
- Modern slavery & human rights advisory
- Beyond audit strategy
- Supply chain data and hotspot analysis
- Supply Chain Risk Management

We support companies to mitigate, adapt and maximise the business benefits of climate change

Services include:

- Climate Risk & Resilience
- Carbon Neutrality
- Carbon/Water footprinting
- Emission Trading Schemes
- Science Based Targets
- Life Cycle Assessments
- Environmental Product Declarations
- Water & Waste Management

We support the transition to a low carbon economy while mitigating financial risk and creating value

Services include:

- Climate Bond Certification
- Verification towards the Green & Sustainability Bonds & Loans standards/principles
- 2 party opinion of Green, Social and Sustainability-Linked Bonds & Loans
- Environmental/CSR Due Diligence
- ESG Due Diligence
- EU Taxonomy delegated act screening

Case Study

ESG Reporting

Brookfield



2006

Sustainability reports for COSCO, as the first UN model report in China

Case Study

Assist client to complete the ESG / GHG assurance

Challenge

- External expectation from shipowners: Data transparency
- Internal expectation from group: Accurate Data which is assured by a third party
- Internal needs: Show the leadership in ESG / GHG domain

Solution

- DNV helps to identify the materiality of ESG data, and narrow down the important ones to be verified.
- DNV conducts limited assurance audits of selected performance information in the Sustainability report in accordance with DNV Verisustain v6.

Benefit

- DNV finds a number of representative problems, which provided a valuable external perspective for enterprises to improve ESG management.
- The assurance statement greatly strengthens the credibility of 'Yiulian's ESG data disclosure, comprehensively improves the quality of report disclosure, and shows it in the domestic and overseas markets with a leading attitude.

Demo

Independent Limited Assurance Statement

DNV Business Assurance (China) Co., Ltd. ("DNV", "we" or "us") were engaged by Yiu Lian Dockyards (Shekou) Limited ("YLSK") to conduct a limited assurance engagement over Selected Information presented in YLSK's 2023 Sustainability Report and 2023 GRI Index (together, "the Report"), covering the reporting year ended 31 December 2023. The stakeholders of YLSK are the intended users of this statement.



Our Conclusion: Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information is not fairly stated and has not been prepared, in all material respects, in accordance with the Criteria.
This conclusion relates only to the Selected Information, and is to be read in the context of this Independent Limited Assurance Statement, in particular the inherent limitations explained overleaf.

Selected information

The scope and boundary of our work is restricted to the key performance indicators included within the Report (the "Selected Information").

The selected performance indicators can be found on the GRI Summary:

- GRI 301 Materials: Materials used by weight or volume(301-1)
- GRI 302 Energy: Energy consumption within the organization(302-1), Energy intensity(302-3)
- GRI 303 Water and Effluents: Water withdrawal(303-3 a.v), Water discharge(303-4 a.iii), Water consumption(303-5 a)
- GRI 306 Waste: Waste generated(306-3)
- GRI 401 Employment: New employee hires and employee turnover(401-1)
- GRI 403 Occupational Health and Safety: Work-related injuries(403-9 a.i & iii)
- GRI 405 Diversity and Equal Opportunity: Diversity of governance bodies and employees(405-1 b.i)

Our observations and areas for improvement will be raised in a separate report to YLSK management. Selected observations are provided below. These observations do not affect our conclusion set out below:

- YLSK has established a variety of process for collecting and consolidating the various data it reports. We have confidence in the process in place to ensure reasonable accuracy for the information presented in the Report and management systems.
- The company utilizes an information management system to oversee operational and sustainability performance information. This provides greater assurance for the reliability and quality of the data. The information system encompasses both the company and other business units, including shipowners and contractors. However, certain data disclosed in the Report has not been adequately categorized. It is recommended to appropriately classify and organize this data to enhance information management and effectiveness.

Our competence, independence and quality control

DNV established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. Our multi-disciplinary team consisted of professionals with a combination of environmental and sustainability assurance experience.

Case Study

ESG and GHG digitalization

DNV takes "ESG enabling enterprises and products, digitalization linking value" as the vision, and works with a top ship repair company to create state of art ESG and GHG digitalization competitiveness.

ESG data system

Based on the ESG system, build ESG data collection system, improve business processing efficiency, and facilitate the communication with other information systems data (financial, operation, etc.)



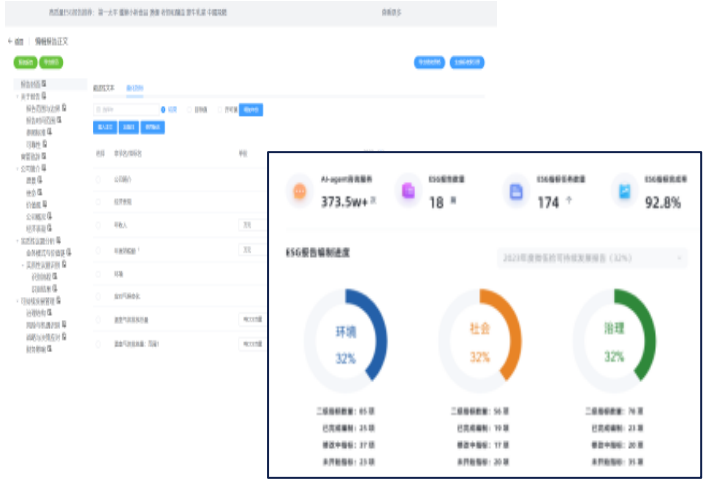
GHG data system

Based on ISO14064, build a carbon emission calculation and service system platform to provide simple and quick one-stop carbon emission calculation and verification assistance services for platform enterprises



ESG reporting system

Support ESG report disclosure in a digital way, to create ESG report automatically, on shipyard level, and on single ship level. Facilitate the data verification work as well.



Sustainable finance

- Sustainable finance refers to the systematic integration of environmental, social and governance factors in financial decision making processes
- **Sustainable finance products:**
 - Green/Social Loan
 - Green/Social/Sustainability Bonds
 - Transition Bonds/Loans
 - Sustainability Linked Bonds
 - Sustainability Linked Loans
 - ...

What Is Sustainable Finance?

Sustainable Finance



Financial Decision-Making Processes

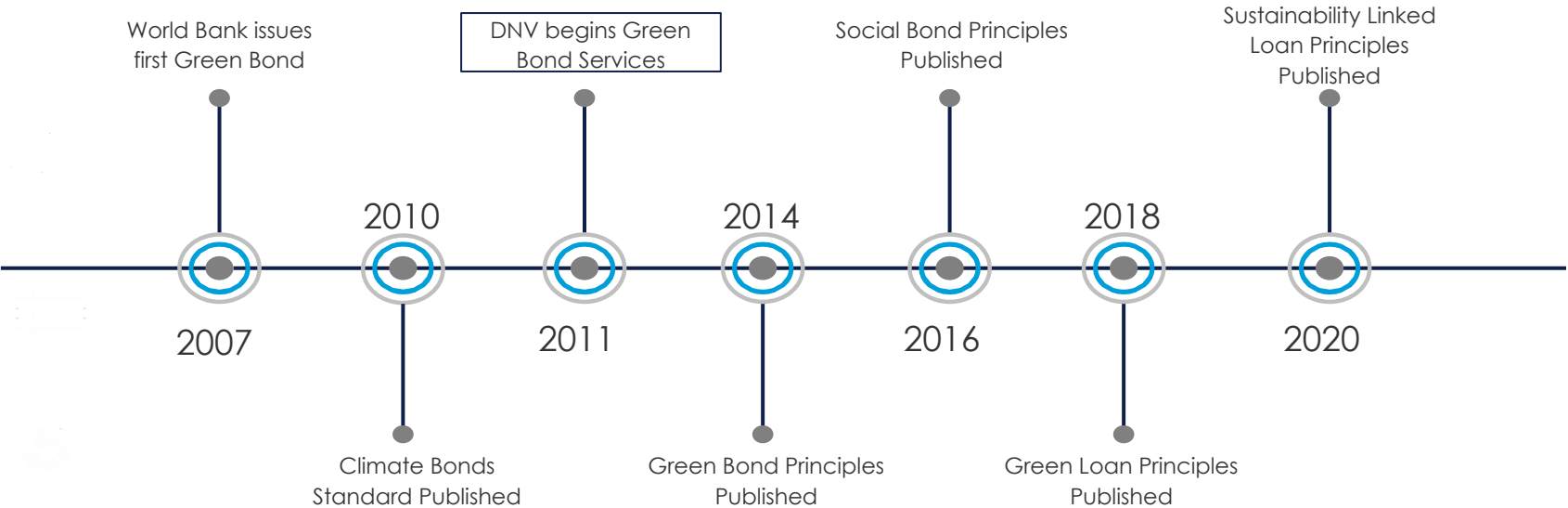
Environmental

Social

Governance

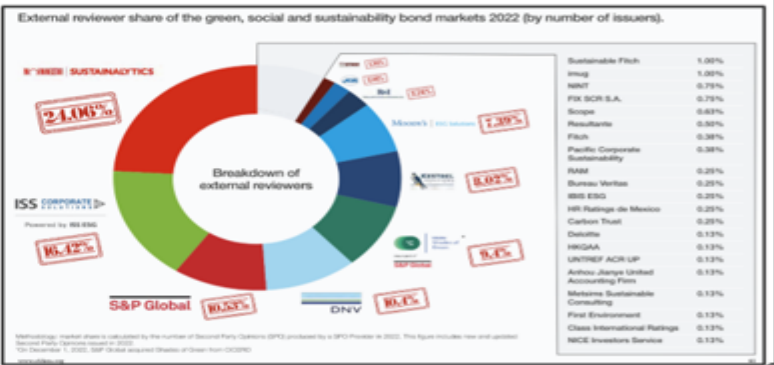
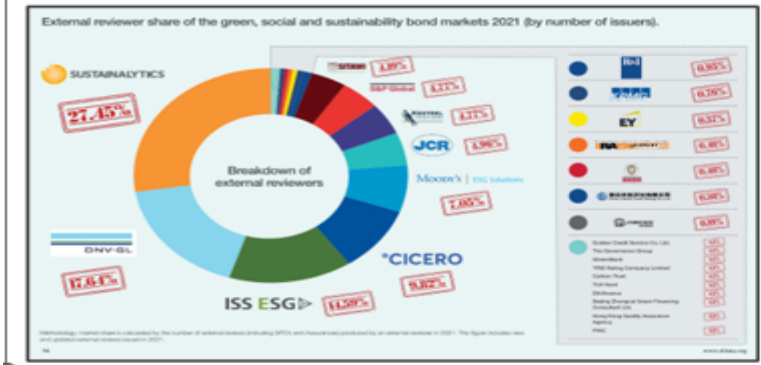
Sustainable Finance Support

Since 2007 the Green Finance market has grown substantially in global issuance value. Over that time DNV has delivered Green Finance Services under all global platforms and on every populated continent.

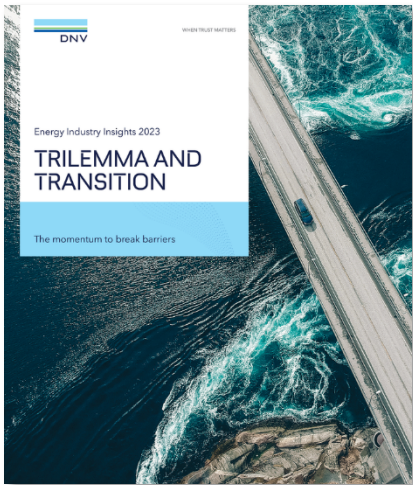


Currently DNV is the 4th – 6th most used global service provider and we're working hard to climb the rankings.

DNV was ranked as the second and fourth of the ICMA green, social and sustainability bond verifier 2021 and 2022.

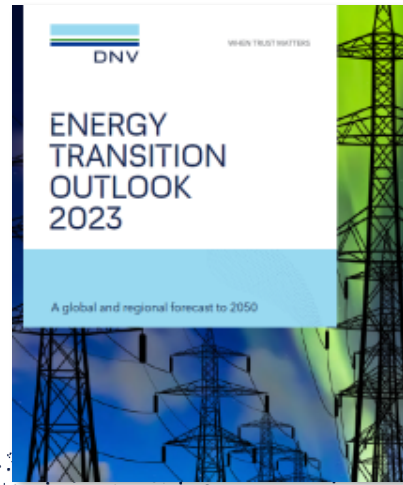


Presenting insights to guide strategic decisions



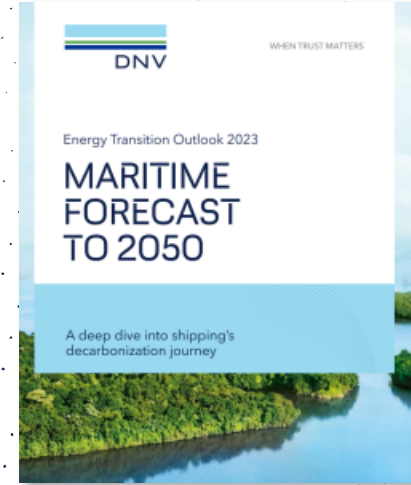
Energy Industry Insights

– the energy industry outlook for the year ahead



Energy Transition Outlook

– forecast of future energy demand and supply to 2050



Maritime Forecast to 2050

– carbon reduction trajectories for shipping



Ocean's Future to 2050

– sectoral and regional forecast of the Blue Economy

...and much more



Thanks

www.dnv.com