



RI TRANSPARENCY REPORT

2020

CECEP Environmental Consulting
Group Limited



An investor initiative in partnership with UNEP Finance Initiative and UN Global Compact

About this report

This report is an export of the individual Signatory organisation responses to the PRI Service Provider Reporting Framework during the 2020 reporting period. It shows your responses to mandatory indicators, as well as responses to voluntary indicators that your organisation has agreed to make public. You will be able to access the public RI Transparency report of your organisation and that of other signatories on the [PRI website](#).

The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is an **Index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Index

The Index summarises the response status for the individual indicators and modules. It can be used by stakeholders as an 'at a glance' summary of reported information and to identify particular themes or areas of interest.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator.
🔍	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Index

Organisational Overview			
Indicator	Short description	Status	Disclosure
OO 01	Basic information	✓	Public
OO 02	Reporting year	✓	Public
OO 03	Signatory category and services	✓	Public
OO 04	Other offerings/business activities	✓	Public
OO 05	Breakdown of ESG coverage	✓	Asset mix disclosed in OO 06
OO End		✓	-

Strategy and Governance			
Indicator	Short description	Status	Disclosure
SG 01	Responsible investment policy	✓	Public
SG 02	Norms used to develop policies	✓	Public
SG 03	Policy offerings to clients	✓	Public
SG 04	ESG/RI in business offerings	✓	Public
SG 05	Outsourcing of services	✓	Private
SG 06	Providing training/education	✓	Public
SG 07	Applying, advancing and promoting the PRI principles	✓	Public
SG 08	Actions taken to promote responsible investment	✓	Public
SG 09	Long term trends	✓	Public
SG 10	Interaction with asset owners	✓	Public
SG 11	Aligning approach with investor goals	✓	Public
SG 12	ESG recommendations not aligned with investor goals	✓	Public
SG 13	Seeking feedback from clients	✓	Public
SG 14	Managing conflicts of interest	✓	Public
SG End		✓	-

Reporting			
Indicator	Short description	Status	Disclosure
REP 01	Product type	✓	Public
REP 02	Reporting frameworks/standards/guidelines	✓	Public
REP 03	Incorporating ESG	🔒	n/a
REP 04	ESG in materiality analysis	🔒	n/a
REP 05	Assuring ESG	✓	Public
REP End		✓	-

Investment Consultancy

Indicator	Short description	Status	Disclosure
IC 01	Advisory and consultancy services	✓	Public
IC 02	Assets under advisement	✓	Private
IC 03	Fiduciary manager services	✓	Public
IC 04	ESG in contracts with clients	-	n/a
IC 05	Custodian services	🔒	n/a
IC 06	RI and ESG in clients' investment policy development	🔒	n/a
IC 07	ESG incorporation into strategic asset allocation	🔒	n/a
IC 08	Scenario analysis and/or modelling	🔒	n/a
IC 09	Demonstrating value on asset allocation	🔒	n/a
IC 10	Investment research activities	✓	Public
IC 11	Demonstrating value on investment research	✓	Public
IC 12	ESG in manager selection, appointment and monitoring	🔒	n/a
IC 13	Manager selection activities	🔒	n/a
IC 14	Incorporating asset owners' investment principles in selection of manager	🔒	n/a
IC 15	ESG in selection due diligence	🔒	n/a
IC 16	Monitoring investment managers on ESG	🔒	n/a
IC 17	Reporting back to asset owners	🔒	n/a
IC 18	Demonstrating value on manager selection, appointment and monitoring	🔒	n/a
IC 19	ESG in manager selection, appointment and monitoring	-	n/a
IC End		✓	-

Research and Data Provision

Indicator	Short description	Status	Disclosure
RDP 01	Product type	✓	Public
RDP 02	Sources for research and/or rating	✓	Public
RDP 03	Stakeholder input	✓	Public
RDP 04	Up-to-date assessment and ratings	✓	Public
RDP 05	Balanced research and assessment	✓	Public
RDP 06	Consistency and comparability	✓	Public
RDP 07	Emerging ESG issues and trends	✓	Private
RDP 08	Client use of outputs	✓	Private
RDP 09		-	n/a
RDP End		✓	-

Confidence building measures

Indicator	Short description	Status	Disclosure
CM1 01	Other product offerings, processes and/or activities	-	n/a
CM1 02	Assurance of responses	✓	Private
CM1 End	Module confirmation page	✓	-

CECEP Environmental Consulting Group Limited

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic Information

OO 01

Mandatory

Public

Descriptive

OO 01.1 Select the location of your organisation's headquarters.

Hong Kong SAR

OO 01.2 Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2 - 5
- 6 - 10
- 11 - 50
- >50

OO 01.3 Indicate the regions where you have offices.

- Africa/Middle East
- Asia (excluding Japan & Korea)
- Australasia
- Canada
- Continental Europe
- Japan & Korea
- Nordic
- South America
- UK & Ireland
- US

OO 01.4 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

38

OO 01.5 Additional information.[OPTIONAL]

China Energy Conservation and Environmental Protection Group (CECEP) is the ONLY state-owned and the Largest, Strongest company in energy conservation and environmental protection in China. The group currently owns 563 subsidiaries, including 28 second-tier subsidiaries, 5 listed companies. Its business covers more than 30 provinces in China and over 60 overseas countries and regions, with around 50,000 employees. It has a leading role in Industrial energy saving, building energy saving, solar energy and water, solid waste, heavy metal treatment etc.

CECEP Environmental Consulting Group is a professional sustainable development consulting company initiated by China Energy Conservation and Environmental Protection Group. We are committed to providing customized consulting services based on the sustainable development needs of the company.

The business is mainly divided into Sustainability Management Consulting, Sustainable Finance, Report Assurance Service, Environmental Consulting, and Renewable Energy Business. Our customers and partners include national government agencies, multiple industry associations, large domestic and foreign financial institutions, and many well-known domestic and foreign companies.

Reporting Year

OO 02	Mandatory	Public	Descriptive
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OO 02.1 Indicate the year end date for your reporting year.

31/12/2019

Signatory category and services

OO 03	Mandatory	Public	Gateway
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OO 03.1 Indicate which of the following categories reflect your core offering or main business activity:

- Reporting
- Active Ownership Services
- Investment consultancy
- Research and Data Provision
- Other, specify (1)
Environmental Consulting
- Other, specify(2)
Sustainability Report Assurance

OO 03.2 Indicate any other business activities that your organisation offers. Indicate whether you wish to report on these business areas.

- Active Ownership Services
- Other, specify (3)
Renewable Energy Business
- Other, specify (4)
- None of the above

OO 04	Mandatory	Public	Descriptive
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OO 04.1 Please describe your core offering or main business activity.

1. Reporting - Sustainability Reporting

- Sustainability Report Writing
- To Assist Customers in Building KPI Collection System
- To Assist Customers in Building ESG Management System and Formulate Strategies of Disclosure

- Conduct Benchmark Analysis and Industry Research
- Stakeholder Engagement & Identification of Key Performance Indicators
- Sustainability Report Writing Software for Listed Company

2. Research and Data Provision

- ESG Risk Assessment
- Sustainability Indices
- Green Bond Verification

3. Investment Consultancy

- ESG & Responsible Investment Research

OO 04.2

If you reported a second core offering or main business activity, please describe it below.

3. Report Assurance Service

Evaluate the reliability of client's ESG/Sustainability report according to the three AA1000 AccountAbility Principles (Inclusivity, Materiality & Responsiveness)

4. Environmental Consulting

Conduct environmental impact assessment, assess and illustrate the potential compliance scenario of relevant statutory requirements to the clients and compile reports for any potential developments projects

OO 04.3

Please describe your non-core offering or business activity.

5. Renewable Energy Business

Conduct renewable energy project analysis for clients

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Strategy and Governance

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Policy on ESG beliefs

SG 01

Mandatory

Public

Gateway

SG 01.1

Describe how your organisation's philosophy incorporates environmental, social and governance factors, and the link to your business offerings.

Our vision is to unearth enterprises' sustainability values, creating a better tomorrow together.

Our mission is to provide enterprises and investors with outstanding sustainability advisory and ESG investing strategy services.

SG 01.2

Indicate whether you have policies that formalise the incorporation of your ESG beliefs in your business offerings.

Yes

SG 01.3

Indicate the components/types of your internal policy and provide the URL and/or an attachment of the document/s if they are publicly available.

Policy components/types

Policy setting out your overall ESG/RI approach

Public availability

URL

Attachment

Not publicly available

Formalised guidelines on environmental factors

Formalised guidelines on social factors

Formalised guidelines on corporate governance factors

Formalised guidelines on engagement approach

Formalised guidelines on (proxy) voting approach

Other, specify (1)

Other, specify (2)

None of the above

SG 01.4

Indicate how these are put into practice internally across the organisation.

- Regular employee training on RI/ESG
 - Regular RI/ESG policy awareness building for employees
 - Establishment of policy review committee/team
 - Remuneration linked to achieving ESG objectives
 - Annual performance incentives
 - Other, specify (1)
 - Other, specify (2)
 - Other, specify (3)
- No

SG 02**Mandatory****Public****Descriptive****SG 02.1**

Indicate what frameworks and guidelines you have used to develop your organisation's policies. Tick all that apply.

- UN Principles for Responsible Investment
- UN Global Compact Principles
- UN Guiding Principles on Business and Human Rights
- Universal Declaration of Human Rights
- UN Sustainable Development Goals
- International Bill of Human Rights
- International Labour Organisation Conventions
- IFC Performance Standards
- United Nations Convention Against Corruption
- OECD Principles of Corporate Governance
- OECD Guidelines for Multinational Enterprises
- GRI standards
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

SG 03**Mandatory****Public****Descriptive****SG 03.1**

Indicate whether you offer standard, off the shelf, policies to clients as part of your product offerings, and/or whether you create tailored versions for individual clients.

	Off the shelf	Tailored
Asset class-specific RI guidelines	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sector-specific RI guidelines	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Screening/exclusions policy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Engagement policy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(Proxy) voting policy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
RI guidelines set out within the Investment Policy Statement (IPS)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
RI guidelines set out in a freestanding RI policy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Multi-year RI implementation project plan	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Conflict of interest management policy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Stockbroker allocation policy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Securities lending policy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other, please specify (1)	<input type="checkbox"/>	<input type="checkbox"/>
Other, please specify (2)	<input type="checkbox"/>	<input type="checkbox"/>
Other, please specify (3)	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>

SG 03.2

Provide a brief description of the key elements, any variations, or exceptions applying to these policies.

CECEP Environmental Consulting Group takes every client seriously and listen to their needs. We provide off-the-shelf and/or tailored sustainability and ESG consulting services in different circumstances according to our expertise and experiences. We believe it is important to have enough communication and engagement with our clients to understand their needs and characteristics before applying the correspondent and suitable policies.

SG 04

Mandatory

Public

Descriptive

SG 04.1

Briefly describe how you include ESG/RI factors as part of your business offerings.

Business area

Reporting

How you include ESG/RI factors

CECEP Environmental Group provides professional corporate sustainability consulting services to clients with reference to ESG factors and assist clients in improving their ESG performance and formulating ESG integration strategies.

- Environmental, Social and Governance (ESG) Report Consulting Services
- Global Reporting Initiative (GRI) Report Consulting Services
- Corporate Social Responsibility (CSR) Report Consulting Services
- Sustainability Reporting Assurance Services
- EnvAI - The Professional Data Analysis and Management Platform

Investment Consultancy

How you include ESG/RI factors

Investment Consultancy provided by CECEP Environmental Group is focus on ESG and Responsible Investment Industry Research. We will give clients comprehensive views on certain industries and companies and the ESG risk analysis.

Research and Data Provision

How you include ESG/RI factors

CECEP Environmental Group provides tailored ESG data service to investors with different investment strategies in order to achieve responsible investment and sustainable goals. We developed a variety of ESG assessment models tailored to users' needs for ESG risks identification and ESG integration. Our ESG rating models provide an objective evaluation of companies to investors that are interested in their ESG performance, especially in the China market. It is suitable for all kinds of investors to explore market opportunities and monitor companies' performances and detect risks.

Other, specify (1)

Sustainability Report Assurance

How you include ESG/RI factors

ESG/RI factors are integrated into our Sustainability Report Assurance.

Other, specify (2)

Environmental Consulting

How you include ESG/RI factors

ESG/RI factors are integrated into our Environmental Consulting.

Other, specify (3)

Renewable Energy Business

How you include ESG/RI factors

ESG/RI factors are integrated into our Renewable Energy Business.

SG 04.2

Indicate the roles in your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for ESG/RI within the organisation.

Roles present in your organisation	Oversight/accountability for ESG/RI	Implementation of ESG/RI
Board	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Directors	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Chief Executive Officer (CEO), Chief Financial Officer (CFO)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Chief Operating Officer (COO), Chief Information Officer (CIO)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other chief-level staff	<input type="checkbox"/>	<input type="checkbox"/>
Other heads of department	<input type="checkbox"/>	<input checked="" type="checkbox"/> <div style="background-color: #0070C0; color: white; padding: 2px; display: inline-block;">Please specify</div> The heads of Sustainable Development Department and Green Finance Department
Dedicated ESG/RI staff	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other role, specify (1)	<input type="checkbox"/>	<input type="checkbox"/>
Other role, specify (2)	<input type="checkbox"/>	<input type="checkbox"/>
Other role, specify (3)	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>

SG 04.3

Indicate how you ensure ESG/RI expertise for the roles where there are RI oversight/accountability or implementation responsibilities.

- Staff training on ESG/RI incorporation
- Including ESG/RI knowledge factors in personal development goals
- Having development plans that aim to enhance ESG/RI knowledge of certain departments/teams/individuals
- Including ESG in selection requirements when hiring new employees
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- Other, specify (4)

SG 04.4

Indicate whether your organisation has any ESG/RI linked incentives for its employees.

- Yes
- No
- Not applicable, we ensure that employees incorporate ESG/RI into services through other mechanisms.

SG 04.6

Describe how you ensure that your employees incorporate ESG/RI into services through other mechanisms than ESG/RI linked incentives.

The company has both ISO9001 and ISO14001 certifications which provide systematic and stringent procedures on services which requires ESG factors to be incorporated into our services.

SG 06**Mandatory****Public****Descriptive****SG 06.1**

Indicate whether you provide training/educational services on ESG/RI. Tick all that apply.

- Board/trustee training
- Investment manager training
- Regulatory bodies/authorities or public policy makers
- Corporate executive training
- ESG analyst training
- Other, specify (1)
Professional consultant training
- Other, specify (2)
- Other, specify (3)
- Other, specify (4)
- None of the above

SG 06.2

Describe the main components of your training/educational services on ESG/RI and any variations depending on the group you provide training/education to.

1. The GRI Standards Course Introduction

- Introduction and background

- Overview of the GRI Standards
- GRI Standards
- Start your reporting process using the GRI Standards; Additional resources

2.The Executive/Board/Regulatory Bodies Training Programme in Sustainable Finance

- Introduction of International and Local Sustainable Finance Developments; Overview and Practice of Sustainable Finance Certification in China and Globally
- How to Interpret the Latest Policies and Prepare for the Policy Change; Implementation of the China/EU/Hong Kong Green Finance Certification Scheme; Impact Assessment and Stakeholder Engagement
- Business Opportunities of the "Green Label"& Challenges in the Market

SG 06.3 Describe whether these training/educational services include any commercial elements.

These training services can be charged.

SG 07	Mandatory	Public	Descriptive
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SG 07.1 Describe how your organisation applies, advances and promotes the PRI Principles.

We have actively applied the PRI Principles into our business areas and also promoted the PRI in different events and initiatives, especially in introducing it into the China market and to Chinese investors. We will continue our efforts in facilitating the promotion and implementation of the PRI Principles in different areas.

SG 07.2 Highlight whether there are any ways that your organisation would like to engage further with the PRI. [OPTIONAL]

We would continue to engage with the PRI in promoting it into the China market, in research collaboration and investor education etc.

SG 08	Mandatory	Public	
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SG 08.1

Indicate which of the following actions your organisation has taken to promote responsible investments during the reporting year, independently of collaborative initiatives.

- Provided or supported education or training programmes for clients, investment managers, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoken publicly at events and conferences to promote responsible investment
- Written and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Written and published articles on responsible investment in the media
- Policy engagements and other interactions
- Other, specify
- None of the above

SG 09**Mandatory****Public****Descriptive****SG 09.1**

Indicate which of the following long-term trends are addressed in your product outputs.

- Changing demographics
- Climate change

SG 09.2

Explain how this long-term trend affects your product outputs.

Climate Change is a top issue in our products, the Investment Research Reports we developed include climate change risk of that industry and also, we explained how can companies mitigate and adapt climate change risk and build resilience to help both investors and companies to have a better performance.

- Resource scarcity

SG 09.2

Explain how this long-term trend affects your product outputs.

Our ERA (Environmental risk assessment) takes natural resource distribution into consideration. our data will be used by asset managers and when they plan to invest in one company, they will be aware of the resource risks related to the company. In long term, through active corporate engagement, the company may upgrade their energy structure to face the scarcity.

- Technology developments

SG 09.2

Explain how this long-term trend affects your product outputs.

We have developed an ESG information platform - EnvAI with a goal for streamlining the ESG data collection process and its analysis, thus to improve the overall working efficiency. Through the built-in industry benchmarking functions, the management team could better understand corporate internal sustainability performance, which helps set up feasible long-term development goal and plan, boosting companies' growth with sustainable development. We also promote the big data management system to enhance corporate ESG performance.

- Other, specify (1)
- Other, specify (2)
- None of the above

SG 10

Mandatory

Public

SG 10.1

Indicate whether you interact with asset owner clients.

- Yes, we do

SG 10.2

Indicate the typical frequency and type of interactions with your asset owner clients.

Type of interaction

- Board of trustee meetings
- Investment committee meetings
- Trustee training workshops
- Formal regular meetings outside of committee meetings

Frequency

- Daily
- Weekly
- Monthly
- Quarterly
- Bi-annually
- Annually
- Ad-hoc basis
- Other, specify
- Informal meetings or calls
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- No, we do not

SG 11

Mandatory

Public

Descriptive

SG 11.1

Describe how you typically align your organisation's philosophy and approach to ESG/RI with your investor clients' goals.

Describe

Environmental, social and governance factors have been the foundation of CECEP Environmental Consulting Group's business model. ESG factors have been embedded in our own internal control procedures and formed the core part of our business strategy. When we communicate with our interested parties, clients and other stakeholders, we take an integrated approach to include ESG factors into our services when assisting clients to meet their goals.

Besides our role as a service provider, CECEP Environmental Consulting Group has been actively promoting ESG and RI as the co-chair of the Hong Kong Green Finance Association's ESG Disclosure and Integration Working Group. To increase society's and industry's understanding on ESG integration and responsible investment, we have been an active participant in different initiatives and dialogue with local and international counterparts, NGOs and associations.

This is not relevant for my organisation

SG 12

Mandatory

Public

Descriptive

SG 12.1

Describe what steps you take, if any, when your ESG recommendations are not in line with your investor clients' goals.

Describe

This is not relevant for my organisation

SG 13

Mandatory

Public

Descriptive

SG 13.1

Indicate whether you seek feedback from clients on your RI/ESG services and product offerings

Yes

SG 13.2

Describe how you use this feedback in your RI/ESG services and product offerings.

We would provide surveys to our clients and ask for comments on our services. And we will provide recommendations and ESG integration proposals to enhance our product offerings based on client's comments and opinions.

No

SG 14

Mandatory

Public

Descriptive

SG 14.1

Indicate whether your organisation has a policy for managing potential conflicts of interest.

Yes

SG 14.2

Describe how you manage potential conflicts of interest.

CECEP Environmental Consulting Group has a Staff handbook that includes Code of Conducts applied to all staff grades. It ensures all CECEPEC employees follow the guidelines and work with integrity, independence and ethics. Staff must declare to the company any conflict of interest that arises, include any financial interest, direct or indirect. Any unacceptable behaviour will be dealt with seriously.

SG 14.3

Describe how you ensure that company employees do not derive any personal gain from the use of information collected during your work process.

The relevant and applicable guidelines and regulations are applied to all staff grades.

No

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Type of reporting and assurance

REP 01	Mandatory	Public	Gateway
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REP 01.1 Indicate the type of reporting that you prepare on behalf of clients. Tick all that apply.

- Integrated reporting
- RI reporting
- Sustainability reporting
- Financial reporting
- Other, specify (1)
- Other, specify (2)
- None of the above

REP 01.2 Indicate whether your services include any variety of third party assurance or certification/labelling scheme of clients' ESG/RI data, processes or products.

- Yes

REP 01.3 Indicate the type of assurance or certification/labelling scheme services that you provide.

- Third party assurance of data points
 - Third party assurance of the implementation of RI/ESG processes
 - Third party assurance of a public RI/ESG report
 - External ESG audit of holdings
 - RI Certification or labelling scheme, specify
 - Other, specify
- No

Reporting frameworks/standards/guidelines

REP 02	Mandatory	Public	
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REP 02.1 Indicate what reporting frameworks/ standards/ guidelines you typically use when preparing reports for clients. Tick all that apply.

- OECD Guidelines for Multinational Enterprises
- OECD Principles of Corporate Governance
- ILO
- ISO, specify
ISO26000

- UN Global Compact
- GRI
- SASB
- IIRC
- PRI
- CDP
- Stewardship code
- Task Force on Climate-related Financial Disclosures (TCFD) recommendations
- Other, specify (1)
- Other, specify (2)

Assurance standards and assuring ESG

REP 05	Mandatory	Public	Descriptive
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REP 05.1

List the standards and certifications that have an ESG/RI component, that you typically use to assure client organisations' reporting data/processes or products against.

- ISAE 3000
- ISAE 2403
- ISO standard, specify
ISO26000
- AAFOI/06
- Regional code, specify
- AA1000AS
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

REP 05.2

Describe how clients' RI/ESG data and/or processes are assured.

CECEP Environmental Consultancy as a professional environmental service provider has established its own procedure to provide its client professional ESG service. Under the procedure, each ESG engaged are worked in team of at least four.

Team formation and responsibly in projects

Project Director (PD) Review the and final approval for the project deliverable

Project in Charge (PIC) Overview of time management/ quality of the project execution; Full review on ESG data by PMC and PC.

Project Main Consultant (PMC) and Project Consultant (PC) Consolidate and calculated relevant data; Full review on ESG data

PMC is responsible to communicate with client on the ESG information and data collection. During the kickoff, the team will communicate with client to confirm on the environmental emission sources, information availability, data collection process and responsible parties for information. Site-visit is conducted when necessary. The data collected is first consolidated and calculated by the PMC. When there is extensive amount of data, the PMC and PC will together process the data with full cross checking. ESG data is being checked against for any missing figures, calculation errors, abnormal or

extreme values etc. Intensity is also calculated to be compared with previous year figures for abnormal. Quires lists are raised to client once data checking is completed for confirmation and clarification. All documents and calculations are saved in internal server for record. PIC reviews once again the data before the final approval. PD reviews the entire project deliverables.

Calculation database is established to assist with calculation. The database is set up based on the international guidelines with updated international and regional emission factors. Climate Change Taskforce set up internally, which one of the objectives is to regularly review and update on the emission factors and calculation methodology.

REP 05.3

Describe any differences in the process of assuring ESG/RI information as compared to other information.

The team formation and process on assessing the ESG information are the same as above. For other ESG information, the team will communicate with the related parties regarding the process and procedure and review against the original policies.

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Investment Consultancy

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Investment Consultancy

IC 01

Mandatory

Public

Gateway

IC 01.1

Indicate whether your services include any of the following.

- Custodial services
- Investment policy development
- Strategic asset allocation
- Investment research
- Manager selection and monitoring
- Other, specify (1)
- Other, specify (2)

IC 01.2

Describe how you ensure that your clients understand your service offerings and fee structure.

We offer equity analysis report with a specific focus on ESG risks. Ususally we have discussion with potential clients on the selection of companies and/or sectors to analyze. A brief scope of the analysis is also discussed with potential clients. The analysis service is charged based on the scope without complicated fee structure.

IC 03

Mandatory

Public

IC 03.1

Indicate whether you provide fiduciary management services.

- Yes, we do
- No, we do not

Investment research

IC 10

Mandatory

Public

IC 10.1

Indicate whether you incorporate ESG into your investment research services.

- Yes, we systematically do
- Yes, we occasionally do
- No, we do not. Plans exist to start incorporating ESG into our investment research services in the next reporting year
- No, we do not

IC 10.2

Indicate whether the following activities are part of your investment research process. Describe for each activity how you incorporate ESG.

Investment research activities

- Asset level research
- Portfolio level research
- Performance monitoring
- Mandate design
- Benchmark selection
- Equity research

Describe how you incorporate ESG

We focus on ESG risks of the certain equity. Where possible, the risks are quantified into financial impacts. For example, the capacity loss caused by typhoons, the capex needed to improve air pollution treatment equipments.

- Credit research
- Quant research
- Sector research

Describe how you incorporate ESG

For the selected sectors, we examine the typical value chain and assess the material ESG risks that may influence the demand and supply. Then we provide suggestions on either measure the impact or monitor the impact by the ESG risks.

- Thematic research
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

IC 11

Mandatory

Public

Descriptive

IC 11.1

Describe how you measure, track or otherwise demonstrate your value on investment research activities.

Investment decisions are hardly made according to single factor. And clients' investment decisions are hard to track for us. We then measure the value by direct feedback from clients and their intention to purchase customized research report by us.

CECEP Environmental Consulting Group Limited

Reported Information

Public version

Research and Data Provision

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Product level

RDP 01

Mandatory

Public

RDP 01.1 Indicate your product type. Tick all that apply.

- Analysis
- Benchmarking reports
- ESG ratings
- Credit ratings
- ESG indices
- Raw data
- Second party opinion on green or social bonds
- Surveys
- Other, specify

RDP 01.2 Indicate whether you make any of your products publicly available.

- Yes, all products
- Yes, some products
- No, we do not

Research/process level

RDP 02

Mandatory

Public

RDP 02.1 Indicate the types of sources you use for research and/or ratings of companies/sectors/geographies or similar. Tick all that apply.

- Your organisation`s independently collected data from public sources
- Regulatory sources
- Information from NGOs and other stakeholders
- In-person meetings or calls with company or industry representatives
- Primary data (self-reported from companies or other organisations)
- Secondary data (from other research provider databases)
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)

RDP 02.2 Indicate how ESG factors are incorporated into your research and/or rating methodology

- Identifying exposure and risk to ESG factors
- Considering responses to self-assessment questions on ESG
- Assessing current and future capacity to manage or mitigate ESG risks
- Assessing past and potential future performance on ESG factors
- Assessing alignment and compliance to different policies and regulations
- Assessing alignment and compliance explicitly to the Sustainable Development Goals (SDGs)
- Assessing current and future positive ESG impacts
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)

RDP 02.3 Describe how you define materiality and how this is captured in your research and/or rating methodology as well as final product.

Our team has developed a variety of models in assessing ESG performances and risks of companies. Among the risks identified, we practice materiality assessment. Those risks that has either high possibility or impact are considered material. One of the models is the Environmental Risk Assessment Model for Listed Companies (“the ERA Model”). The ERA Model examines the physical environmental impacts on operating costs, the industrial sensitivity to physical environmental factors and the company’s ability in environmental risks management. With the model output, we can further analyze the companies or sectors that is likely influenced by certain environmental risk driver and also the financial impact such as operational cost involved. Through trend analysis, it can serve as an effective tool to quantify the environmental risks impacts on listed companies’ business and stock prices in an integrated approach.

RDP 03	Mandatory	Public	Descriptive
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RDP 03.1 Describe how you actively include input and information, wherever possible, from relevant stakeholders or interested parties, in the research process or in reaching assessment conclusions.

Firstly, we use official data base and the audited corporate data to ensure the data quality. Besides, we often check data correction in one aspect from other sources. And always take care of the interest conflicts.

RDP 04	Mandatory	Public	Descriptive
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RDP 04.1

Indicate how you ensure that your ESG assessment of companies/ sectors/ geographies or similar is up-to-date and that new information is incorporated or new assessments are conducted at reasonable intervals.

- Regular update cycles (annual or more frequent)
- Allowing assessments/ ratings to be adjusted at any time by your organisation
- On-going alerts systems in place for new events and information that might have implications on the original assessment/ ratings
- On-going monitoring of possible controversies and compliance to conventions, regulations and similar
- Providing tools for companies/ sectors or others to update the researcher, rating agency or data provider with new information
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)

RDP 05**Mandatory****Public****Descriptive****RDP 05.1**

Indicate how you typically ensure a balanced approach to your research methodology and assessing/rating of companies/sectors/geographies or similar. Tick all that apply and explain your approach to each option.

Type of indicators

- Balancing quantitative and qualitative indicators

Explain your approach

We take both quantitative and qualitative indicators into consideration when carrying out our research and ESG rating. We objectively apply and evaluate the suitable quantitative and/or qualitative indicators according to the issues concerned and the circumstances.

- Balancing management/process oriented indicators and performance indicators

Explain your approach

We take both risk management process and the performance as indicators in our model. (ie. Environmental management system and their actual resilience against any accidents.)

- Balancing reference to past and current performances, such as whether the rating object's performance is improving or deteriorating

Explain your approach

CECEP Environmental Consulting Group has been actively monitoring market changes and how companies have been performing from the ESG perspectives.

- Balancing environmental, social and governance indicators

Explain your approach

CECEP Environmental Consulting Group has taken an integrated approach in incorporating ESG factors into our models to deliver an objective view to our users.

- Balancing self-reported and public data
- Other, specify (1)
- Other, specify (2)
- None of the above

RDP 06	Mandatory	Public	Descriptive
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RDP 06.1	Describe the control processes in place to ensure quality of research.
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We have our own internal quality control system to ensure the quality of our research is up to standard.

CECEP Environmental Consulting Group Limited

Reported Information

Public version

Confidence building measures

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