

The Human Rights Risk and Impact Assessment



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The Human Rights Risks and Impact Assessment has been developed based on the United Nations Guiding Principles (UNGP) on Business and Human Rights and is scheduled to be reviewed at least every three years. It is intended to be verified identify and assess potential human rights risks in the company's activities and value chain, review and update the plan annually, as well as respect the human rights of stakeholders in accordance with international guidelines to prevent potential risks and impacts of violations. The processes are as follows:



For **1) Scoping and Identifying human rights risks**, we identify actual and potential human rights risks associated with our business activities throughout the value chain, including new business relations i.e. mergers and acquisition, and joint ventures. We also evaluate potential human rights risks in the energy sector through peer benchmarking, and consider risks based on geography and international guidelines. Once the risks are identified, we match them with relevant stakeholders within our scope, as well as vulnerable groups.

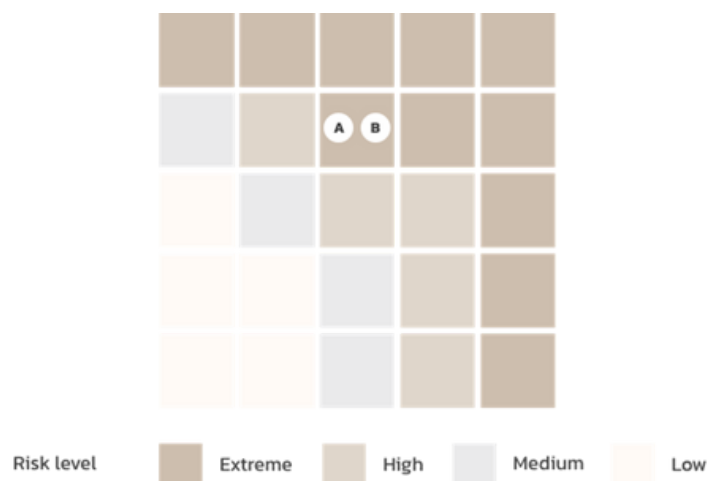
The actual and potential human rights issues are considered in risk identification process, covering forced labor, human trafficking, child labor, freedom of association, rights to collective bargaining, discrimination and harassment in any forms. The details are as follows:

Employee practices	Community rights & Environment	Supply chain management	Customer rights
<ul style="list-style-type: none"> • Safe and healthy working conditions • Non-discrimination • Freedom of association, and collective bargaining 	<ul style="list-style-type: none"> • Standards of living and community health • Land acquisition • Water security • Impact of pollution, and hazardous waste 	<ul style="list-style-type: none"> • Safe and healthy working conditions • Illegal forms of labours e.g. child labour, migrant workers, human trafficking, and forced labour 	<ul style="list-style-type: none"> • Customer health and safety • Customer data privacy protection

2) Assessing impacts and the significance of the human rights issues based on its severity and likelihood as follows

Severity	Scale	Scope	Irremediable nature
Very high	Significant impact to health and safety including fatality or disability	Impact to all people in particular stakeholder group	Impossible to restore the impact
High	High impact to health and safety including serious injury which requires rehabilitation (>3 days loss time injury)	Impact to most people in particular stakeholder group	> 5 years to restore the impact
Medium	Moderate impact to health and safety including injury which requires rehabilitation (1-3 days loss time injury)	Impact to groups of people particular stakeholder group	3-5 years to restore the impact
Low	Low impact to health and safety including or minor injury or illness (no loss time injury)	<ul style="list-style-type: none"> • Impact to some people in particular • stakeholder group 	1-3 years to restore the impact
Very low	Minor impact to health and safety (First aid case)	No negative impact to stakeholders	< 1 year to restore the impact
Likelihood			
Very likely	Occurs all the time – Human rights issues have occurred consistently from the past until present (every year)		
Likely	Occurs very often - Human rights issues have occurred in the past and occurred very often at the present (once every 1-3 years)		
Moderate	Occurs moderately - Human rights issues have occurred in the past and occurred sometimes at the present, depending on operation of business units (once every 3-5 years)		
Unlikely	Occurs rarely - Human rights issues have occurred in the past and occurred to occasionally at the present, depending on operation of business units (once every 5-10 years)		
Very unlikely	Almost never – Human rights issues have never occurred in our operation but occurred to other companies within the same industry (once in more than 10 years or never)		

Primarily, we conduct inherent risks assessment , followed by considering our existing measures for each risk to identify residual risks. We then prioritise human rights salient risks, which consist of the residual risks at extreme and/or high level.



[Example]

Salient Human Rights Issues (Extreme-High)

A: Human rights issues

B: Human rights issues

After addressing the salient human rights risks, the **3) Implementing Impact Mitigation and Management process** to evaluate the specifics of potential or existing risks. This involves identifying activities within the business value chain and relevant stakeholders, enabling us to contemplate and establish guidelines for mitigation of each issue in a direct and efficient manner.

[Example]

Human rights issues	Description	Activity at risk	Stakeholders	Mitigation and remediation actions
A: Human rights issues	Descriptions of potential or actual risks	Activities in the business value chain such as construction or transmission	Related stakeholders	Our mitigation and remediation actions
B: Human rights issues	Descriptions of potential or actual risks	Activities in the business value chain such as construction or transmission	Related stakeholders	Our mitigation and remediation actions

In the final process, **4) Report and Evaluation** transparently and consistently report the results of human rights assessments and performance through our public website (topic: [Human Rights](#)) and One report.