



Solar panels installed in Hongkong Land's Central Portfolio in Hong Kong

In addition, we gain valuable insights in our interactions as a member of the World Business Council for Sustainable Development (WBCSD) and other industry associations, and conduct peer benchmarking. We keep abreast of the latest global reporting standards and environmental and social megatrends, to identify new and emerging sustainability issues relevant and material to the Group. This helps us continuously review and enhance our sustainability strategy.

In 2024, we conducted a double materiality assessment – financial and impact materiality – to assess the impact of sustainability risks and opportunities to our portfolio, and the impact of our portfolio to the environment and society. We have adopted a mix of bottom-up and top-down approaches in consolidating views from the Company and our portfolio companies. Considering feedback from engagement surveys, insights gathered from stakeholder meetings, peer benchmarking and referencing the portfolio companies' risk management reports, the assessment helped us confirm and refine our material topics, sustainability strategy and key focus areas. More details will be provided in the 2024 Sustainability Report.

Climate action

In the face of escalating climate change, we are actively monitoring the physical and transition risks confronting the Group, whilst identifying opportunities for mitigation. We view supporting and contributing to the transition to a low-carbon and, ultimately, a net-zero world as not only a business imperative but also a source of new opportunities for impact and growth.

As a primarily Asian-based diversified investment company, we have a deep understanding of the challenges and the operating environment in the region. Our network of partners,

the skills of our colleagues and the credibility we have in the region, give us a unique platform to accelerate the transition, by creating and leveraging opportunities to leapfrog to the sustainable economies of the future. While this Sustainability section provides the Group's perspective, we acknowledge that Jardines' overall climate change performance is the result of a collaborative effort with each of our portfolio companies. As our portfolio companies continue to build their climate resilience, the Group will provide support, guidance, and oversight to ensure that Jardines as a whole is ready for the future.

TCFD Report

This section provides details on our climate journey based on Taskforce for Climate-related Financial Disclosures (TCFD) recommendations. Please refer to the Consistency with TCFD Requirements section on page 63 for a detailed view on the extent of alignment with the recommendations.

Governance

The Jardine Matheson Board is ultimately responsible for the overall strategic aims and objectives of the Company. Sustainability updates, including climate-related strategy, decarbonisation targets, initiatives and progress, challenges and opportunities are reported to the Board at least twice a year. One update occurs at the year-end, reflecting the outcomes of the annual budget setting process, as part of which there is discussion of capital allocation for organic and inorganic growth, capital and operational expenditures, and the budget for sustainability initiatives for the coming three years.

The Board is also responsible for the oversight of climate risk management, as part of enterprise risk management, through the Audit Committee. All principal risks, including climate risks, faced by the Group and their latest developments and progress of mitigation measures, are reported to the Audit Committee bi-annually and disclosed in the Principal Risks and Uncertainties sections in this Report. Identified climate risks and opportunities in the medium-long term disclosed in this TCFD section are reported to the Audit Committee as well.

Climate action is one of the critical topics reviewed and assessed by the SLC, which receives updates on global and regional climate and sustainability trends, policies, initiatives and activities undertaken across the Group twice a year. Progress on climate risk assessments and identified climate risks and opportunities are also provided to the SLC, to inform their discussion of climate strategy and priorities. The Company and individual portfolio companies' senior representatives will provide corresponding updates on sustainability strategy to their respective boards. Sustainability-related policies, including the Group Climate Change Policy available on the Company's website are also reviewed by the SLC. All sustainability-related policies are periodically reviewed by executive management and updated as required.

The Group Sustainability team, led by the Group Head of Corporate Affairs and Sustainability, supports the Board, SLC and Climate Action Working Group in developing the overall sustainability strategy and related initiatives. A monthly meeting is held by the Group Sustainability team with the Executive Chairman, to report progress on our sustainability agenda. The Climate Action Working Group meets on a quarterly basis, and updates on its activities are provided to the SLC twice a year.

For more information on the roles and responsibilities of those involved in our sustainability governance framework, and management oversight of the sustainability agenda (including climate risks and opportunities) across the Group, please refer to the Sustainability Governance section on page 53.

Strategy

Our Group commitment to climate action is set out in the Group Climate Change Policy, published in June 2022. The policy outlines the principles that steer the Group and our portfolio companies to build resilience to climate change impacts and the transition to a low-carbon economy. To help drive the shift to more renewable sources of energy, Jardines has also published a clear commitment to Supporting a Just Energy Transition, affirming our goals of scaling up investments in renewable energy and adjacent innovations, diversifying into non-coal mineral mining and not investing in new coal mines or coal-fired power plants. As an Asian-based investment company, we want to be a key partner for the region in contributing to an orderly and equitable transition.

Over the past few years, we have been engaged in an ongoing exercise to identify and analyse material climate risks and opportunities across the Group. Climate scenarios are adopted, to evaluate the resilience of our portfolio companies to the impacts of climate change on our strategy and financial planning. At Jardines, we use three sets of time horizons to analyse climate-related risks and opportunities: short-term (within three years), medium-term (four to ten years) and long-term (beyond ten years).

In 2021, we completed a study of physical risks likely to have a material impact on the Group's significant assets, assessing potential asset damage and business interruption. We analysed the exposure and impact of both acute¹ and chronic² hazards on more than 800 significant assets across our Group companies in 22 countries and regions. The study was conducted utilising three Representative Concentration Pathways (RCPs)³ developed by the Intergovernmental Panel on Climate Change (IPCC).

¹ Acute hazards include landslide, rainfall flood, river flood, storm surge and typhoon.

² Chronic hazards include extreme heat, snow melt, drought and sea level rise.

³ RCP 2.6 represents a low-emission scenario, RCP 4.5 represents a medium-emission scenario and RCP 8.5 represents a high-emission scenario.

⁴ Scenarios are based on the IPCC RCP 2.6, 8.5, SSP1 & SSP5, the Network for Greening the Financial System (NGFS) Orderly Pathways & Hot house World, and the International Energy Agency (IEA) Sustainable Development Scenario & Stated Policy Scenario, supplemented by additional research to reflect the unique regional context.

In 2022, the Group initiated an assessment of transition risks which might impact our portfolio companies, with the assistance of Group Sustainability and GARM. The exercise aimed to develop a consistent set of scenarios and assumptions for risk assessment, setting the foundation for a robust methodology which would result in comparable outcomes across the Group. Two consolidated scenarios were developed based on internationally recognised data sets⁴ with the following characteristics:

Low-emissions scenario	High-emissions scenario
<ul style="list-style-type: none"> Global warming is limited to well below 2°C Rapid coordinated global response to climate change Implementation of strict climate policies Active decarbonisation of businesses High consumer awareness of climate change 	<ul style="list-style-type: none"> Global warming is on track to reach at least 3.3°C No significant acceleration and climate action from currently announced policies Slow investment in climate transition Lack of consumer awareness of climate change

The scenarios will be periodically refreshed to align with climate science updates and significant changes in our operating environments, as a result of shifts in policy, regulations and other signals. We are currently reviewing the changes to policy and regulations, analysing the impact on our portfolio companies, and assessing the need of reassessment of climate scenarios.

The assessment produced distinct transition risk heat maps for the High-emissions and Low-emissions scenarios, identifying the critical impact of transition risk drivers across the diverse sectors of our portfolio companies in their most material geographic regions, based on revenue and/or strategic value. A number of sector-specific mitigation planning workshops have been conducted to equip the portfolio companies with the knowledge and resources for climate resilience.

A summary of the identified climate risks and opportunities, our mitigation/adaptation measures and potential financial impacts are included in the table below. Currently, we are not able to quantify the financial effects of the climate risks and opportunities because those effects are interconnected with those of the existing business risks and are not separately identifiable. The financial impact is also subject to a high level of estimation uncertainty as reliable data in the market is still lacking.

Physical risks	Implications to the Group	Potential financial impacts	Our mitigation/adaption measures
<p>Typhoon Severity, as measured by wind speed, is increasing in the Chinese mainland, Hong Kong, Vietnam, and the Philippines.</p>	<p>More frequent and destructive typhoons impact Hongkong Land, DFI Retail, some Mandarin Oriental hotels and Jardine Pacific.</p> <p>Expected onset: short to medium term</p>	<ul style="list-style-type: none"> • Reduced revenue due to operational disruptions, tenants/ customers relocation and loss of tourist attractions • Reduced revenue from lower sales due to supply chain disruptions and transport difficulties resulting from damage to port infrastructure • Write-offs of existing assets due to damage, or increased capital costs to repair the equipment, facilities and properties 	<ul style="list-style-type: none"> • Business continuity and emergency evacuation planning, and regular training, drills and engagement with employees and tenants • Identify emerging technologies, including smart, digital and biotechnologies or new materials to enhance building quality and resilience • Review of overflow and drainage systems for locations susceptible to flooding • Review exposure to physical hazards, including an analysis of geographical flood plains, before committing to new locations • Engage with government bodies on flood defences • Dual sourcing and increasing supplier resilience • Insurance coverage for physical asset damage and business interruption
<p>Rainfall flooding Severity, as measured by flood depth, is expected to increase across Asia.</p>	<p>More frequent and extreme rainfall flooding impact our low-lying and flood vulnerable major assets in Astra, Hongkong Land, DFI Retail, JC&C, some Mandarin Oriental hotels and Jardine Pacific.</p> <p>Expected onset: short to medium term</p>	<ul style="list-style-type: none"> • Increased healthcare and injury-related costs due to the safety risk of employees/ customers • Increased maintenance costs and insurance premiums, due to a greater occurrence of building strain or loss of building material fixtures and claddings • Increased capital investments for adaptive infrastructure 	<ul style="list-style-type: none"> • Business continuity and emergency response planning • Physical checks for workers and adequate breaks under prolonged sun exposure • Strengthen assets and infrastructures resilience • Operational energy saving/efficiency measures and regular air conditioning equipment maintenance • Dual sourcing and increasing supplier resilience • Implement water management measures and track water footprint • Insurance coverage for physical asset damage and business interruption
<p>Extreme heat Measured by the combined impact of temperature and humidity, it is forecasted to increase across Asia. Higher latitudes are expected to be most adversely affected.</p>	<p>Increased ambient temperatures, more frequent heatwaves and extending dry seasons mostly impact Astra, Hongkong Land, DFI Retail, JC&C and Jardine Pacific.</p> <p>Expected onset: medium to long term</p>	<ul style="list-style-type: none"> • Increased healthcare and injury-related costs due to adverse effect on the employees' health and safety, e.g. heat stroke and heat exhaustion • Increased air-conditioning operating and maintenance costs • Increased operational costs due to inadequate water supply • Write-offs and increased maintenance costs for equipment, properties, inventory and infrastructure • Reduced revenue due to business and supply chain interruptions • Increased capital investments for adaptive infrastructure 	<ul style="list-style-type: none"> • Business continuity and emergency response planning • Physical checks for workers and adequate breaks under prolonged sun exposure • Strengthen assets and infrastructures resilience • Operational energy saving/efficiency measures and regular air conditioning equipment maintenance • Dual sourcing and increasing supplier resilience • Implement water management measures and track water footprint • Insurance coverage for physical asset damage and business interruption

Physical risks	Implications to the Group	Potential financial impacts	Our mitigation/adaption measures
<p>Sea level rise</p> <p>Severity, as measured by the rise of sea level, is expected to increase globally.</p>	<p>Increased sea level rise/ coastal inundation mostly impacts Hongkong Land's Central portfolio buildings in Hong Kong, which are the most valuable assets to the Group.</p> <p>Expected onset: medium to long term</p>	<ul style="list-style-type: none"> • Write-offs due to significant structural damage from permanent inundation of access and egress points of coastal properties • Reduced revenue due to inundation of assets, limiting future business opportunities • Increased maintenance costs and insurance premiums • Increased capital investments for adaptive infrastructure 	<ul style="list-style-type: none"> • Implement operational procedures for emergency extreme weather preparedness • Engage the Hong Kong government for adequate planning and preparation of extreme weather events, including knowledge sharing of risk assessment data and management plans • Engage the real estate sector to exchange insights and potentially collaborate on solutions to manage climate risks

Transition risks	Implications to the Group	Potential financial impacts	Our mitigation/adaption measures
<p>Carbon price</p> <p>Direct (e.g. carbon tax) or indirect costs associated with emissions reduction regulatory or fiscal policies.</p>	<p>All our portfolio companies will be affected, however these risks would be especially impactful for those operating in high energy consuming and/or high carbon emitting sectors, namely Astra, Hongkong Land, DFI Retail and Gammon.</p> <p>Expected onset: medium to long term</p>	<ul style="list-style-type: none"> • Increased cost of products, services and raw materials such as steel and cement • Reduced revenue if sales strategy is not adapted • Increased capital expenditures and cost of operations, due to higher energy efficiency requirements • Unexpected shifts in energy costs • Increased capital investments in technology development for decarbonisation • Increased compliance costs from higher legal and regulatory stringency 	<ul style="list-style-type: none"> • Develop a net-zero strategy to decarbonise, with many of our portfolio companies' near-term science-based targets validated by SBTi • Reduce embodied carbon in buildings by sourcing low-carbon materials such as certified rebar, concrete mixes • Develop a strategy for a lower-carbon supply chain in retail, including local sourcing efforts and sustainable commodities • Electrify equipment, e.g. Gammon acquiring electric crawler cranes • Invest in energy efficiency and R&D, e.g. JEDI from JEC • Monitor upcoming climate-related regulatory requirements
<p>Energy price</p> <p>The rising prices of primary and secondary energy, i.e., fossil fuels and electricity.</p>	<p>Expected onset: medium to long term</p>	<ul style="list-style-type: none"> • Increased cost of products and raw materials such as steel and cement • Increased operating costs to adopt/deploy new practices and processes • Increased capital investments in technology development for decarbonisation • Increased compliance costs from higher legal and regulatory stringency 	<ul style="list-style-type: none"> • Introduce low-carbon products, e.g. certified green buildings and EVs • Invest in energy efficiency and R&D, e.g. JEDI from JEC; and implement energy efficiency measures • Monitor upcoming climate-related regulatory requirements • Contribute to policy consultations by engaging with government bodies and industry associations
<p>Policies and regulations</p> <p>Examples include green building policies and electric vehicle (EV) policies.</p>	<p>Green building policies are applicable to most of our businesses, especially the property and construction industry; EV policies are applicable to our motor portfolio, i.e. Zung Fu, JC&C and Astra.</p> <p>Expected onset: medium to long term</p>	<ul style="list-style-type: none"> • Increased cost of products and raw materials such as steel and cement • Increased operating costs to adopt/deploy new practices and processes • Increased capital investments in technology development for decarbonisation • Increased compliance costs from higher legal and regulatory stringency 	<ul style="list-style-type: none"> • Introduce low-carbon products, e.g. certified green buildings and EVs • Invest in energy efficiency and R&D, e.g. JEDI from JEC; and implement energy efficiency measures • Monitor upcoming climate-related regulatory requirements • Contribute to policy consultations by engaging with government bodies and industry associations

Climate-related opportunities	Implications to the Group	Potential financial impacts	Our response
<p>Shifting consumer preferences towards low-carbon buildings, materials, products and services</p>	<p>This is an emerging opportunity to capture business growth for Hongkong Land and Gammon in the property and construction sector; Astra, JC&C and Zung Fu in the automotive sector; and JEC in the engineering services sector.</p> <p>Expected onset: medium to long term</p>	<ul style="list-style-type: none"> • Increased revenue from higher demand for minerals for low-carbon technologies such as copper, nickel and bauxite • Increased demand and revenue from low-carbon infrastructure and buildings, sale of EVs, new products/services, etc. • Change of revenue mix and sources from high carbon to low carbon products 	<ul style="list-style-type: none"> • Publish a Just Energy Transition statement to commit to no new coal mine acquisitions and no new investments into coal-fired power plants • Acquire new EV brands through Zung Fu and JC&C; and support the EV transition through Astra's investment in nickel mining • Obtain green building certifications in our property portfolio • Deliver certified green building projects and develop lower carbon concrete mixes in our construction portfolio • Invest in energy efficiency and innovation, e.g. JEDI from JEC
<p>Renewable energy and energy efficiency</p>	<p>This is a present opportunity to all businesses for the foreseeable future.</p>	<ul style="list-style-type: none"> • Reduced operating costs through energy efficiency initiatives, reduced waste to landfill and increased material reusability • Increased market value of properties that are highly rated as energy efficient and/or climate resilient • Reduced exposure to future fossil fuel price increase • Reduced exposure to GHG emissions and less sensitivity to changes in cost of carbon 	<ul style="list-style-type: none"> • Expand investments in REE and its renewable energy portfolio in Vietnam through JC&C • Expand investments in hydro, wind, solar and potentially waste-to-energy through Astra • Invest in solar panels at our owned assets • Reuse structural steel and use offsite modular integrated construction • Join Power Up Coalition to accelerate electrification in Hong Kong's construction industry

Our success as a business is based on our ability to identify emerging risks and opportunities and make the right capital investment decisions. The risk management process described in the Risk Management section of this Report enables the integration of these risks and opportunities, including climate-related ones, into our long-term strategy. This is the first step in putting climate risk on the agenda, including three to five year strategic and financial planning, investment and divestment decisions, managing supply chains, developing products and services, and daily operations across all portfolio companies.

With guidance from the Group Finance and Sustainability teams, each of our portfolio companies allots a budget to fund sustainability and climate action-related activities. The budgets are approved by the Chief Finance Officers of our portfolio companies and the Group Finance Director. In 2023, the Group developed a framework for a systematic incorporation of sustainability considerations, including climate risks, into capital allocation decisions. That work has continued in 2024, as the framework was rolled out for implementation, including targeted engagements and knowledge-sharing sessions for key people across the Group. We are progressively building on our learning every year to further enhance our methodology. We have been proactive in responding to climate risks and building climate resilience, but there is still much to learn and do.

To future proof our portfolio, we must be agile in managing and adapting to climate change. Increasingly, the economic success of businesses globally is tied to agility to change and long-term planning for sustainable development. The necessity of building climate resilience drives our spirit for innovation in building a future-fit portfolio. We are increasingly focused on ensuring that our investment opportunities align with our sustainability goals. We continue to support Asia's shift to clean energy, including JC&C's investment in REE which has an increasing renewable energy portfolio in Vietnam, Astra's development of EV infrastructure in Indonesia, and our motor portfolio companies' distribution of new energy vehicles in Hong Kong, Singapore and Indonesia.

Risk management

We have incorporated the best practices of enterprise risk management into the process of climate risk identification, assessment and management. The sustainability teams in each of our portfolio companies are responsible for climate risk management and provide a business-specific climate risk perspective to their risk management team. The Group's approach to overall risk management combines a bottom-up

process with a top-down strategic view. As with other principal risks and uncertainties, material climate risks and mitigation measures are reported to GARM and consolidated into the Group risk register to formulate a risk heat map, which guides risk prioritisation. The risk heat map is reported to the Audit Committee twice a year.

Both physical and transition risk reports from the 2021 and 2022 climate risk assessments have been provided to the portfolio companies to explore the implications for and develop mitigation measures to minimise the impact including property damage and business interruption. Guidance and support on climate risk management and mitigation measures planning are provided by Group Sustainability and GARM, when needed. Climate risks have already been reported by some portfolio companies who are advanced in their sustainability journey and featured in the Group's Principal Risks and Uncertainties.

Building on the Group-wide climate risk assessments carried out in 2021 and 2022, we have developed a Group approach to the integration of climate risk into the existing risk management process and business risk register, which aligns with best practices defined by WBCSD, COSO⁵, TCFD, and ISO 31000. We have taken a significant step forward by integrating both physical and transition climate risks into our business risk register. This underscores our dedication to embedding sustainability into the core of our risk management, ensuring a comprehensive approach to identifying, assessing, and mitigating the impacts of climate-related risks on the Group.

The inclusion of physical climate risks in our business risk register allows us to systematically evaluate and manage the potential impacts of climate change-related events, such as extreme weather events, rising sea levels, and temperature fluctuations, on our assets and supply chain. By doing so, we can enhance our resilience and adaptive capacity ensuring business continuity in the face of climate challenges. Similarly, the integration of transition climate risks addresses the potential implications of a global shift towards a low-carbon economy. As stakeholder expectations on climate evolve, regulatory changes, market dynamics, technological advancements, and reputational impacts will continuously be considered. By proactively managing these risks, we aim to better position ourselves within the shifting market landscape, while also contributing to global sustainability efforts.

⁵ The Committee of Sponsoring Organizations (COSO)

This integrated approach ensures that we remain agile and responsive to the interconnected challenges posed by climate change, fostering long-term value creation and sustainable growth.

Materialised climate-related risk events/drivers have been included in the business risk register for monitoring by the respective risk owners. As climate risks may materialise over a longer time horizon compared to typical enterprise risk management (ERM) horizons, a sub-register solely comprised of climate risks and opportunities has also been created. The climate risk sub-register formalises current efforts and monitoring currently carried out across our portfolio companies. It is a full list of climate risks and opportunities over the short, medium and long-term, which facilitates the discussion and knowledge transfer on climate matters between teams. Sustainability and risk management teams will monitor the risk signals (e.g. carbon price policies) and evaluate the impact of each climate risk under different climate scenarios. Once the risks materialise and are significant, they will be included in the existing business risk register to ensure the accountability of the risk owners. For example, supply chain disruption is an existing business risk managed by supply chain directors at each portfolio company, but climate risks could intensify the uncertainties of logistics. Mitigating the risk of supply chain disruptions, including the impact from climate risks, is the supply chain director's responsibility, assisted by the sustainability and risk management teams.

The impact assessment for climate risks is currently based on external research and management judgements. Climate change modelling and more sophisticated financial impact assessments will be conducted, based on a common set of scenarios and assumptions, at a later stage when more data points are transparent and available in the market.

As part of our ongoing climate risk management process, one important objective has been the development of a culture of climate action across our portfolio companies. Climate risk is an issue which is now frequently included in internal risk management training and conferences. It is also included in risk newsletters published by GARM to raise the awareness of climate change and climate action across the Group, particularly targeting finance and risk management colleagues. Most of our portfolio companies are actively attuning their business capabilities to better evaluate and respond to climate risk. The Group will continue to guide the discussion, to further

improve our portfolio companies' approach to assessing the significance and impact of climate risks in relation to other risks in our risk registers.

Please refer to the Risk Management and Internal Control section of this Report for details of the Group's ERM framework.

Metrics and targets

Building on the climate risk assessment work carried out in previous years, we are in the process of establishing appropriate metrics and indicators to help the Group manage relevant climate risks and opportunities. As we drive forward the climate action agenda, we will consider forward-looking metrics to help us build resilience to climate change. In 2021, we developed GHG emissions guidance aligned with the GHG Protocol for measuring scope 1 and 2 emissions. We aggregate data to provide the performance of our GHG emissions over the years, disclosed by portfolio company, in our annual Sustainability Report. At the time of publication of this Report, the Group's 2024 performance is still undergoing external assurance, and further details will therefore be provided in the forthcoming Sustainability Report 2024. The Group's 2023 performance is extracted in the table below:

Metric	Unit of measure	Group total
Scope 1 emissions	ktCO ₂ e	4,992.1
Scope 2 emissions (location-based)	ktCO ₂ e	1,343.0
Scope 2 emissions (market-based)	ktCO ₂ e	1,206.0
Total GHG emissions (scope 1 and market-based scope 2)	ktCO ₂ e	6,198.1*
Total energy consumption	Terajoule	99,312.9
Energy consumption from renewable sources	%	41%

* Total scope 1 and market-based scope 2 (gross emissions excluding carbon credits) was subject to independent limited assurance by PricewaterhouseCoopers as part of our 2023 Sustainability Report which is available on our website.

2021 was the first year for which we collected GHG emissions data across the Group, starting with direct emissions (scope 1 and 2). The Group is aware of the importance of our indirect emissions (scope 3), and in 2024 we have taken steps to start the measurement. A few of our portfolio companies, such as Hongkong Land, DFI Retail and Gammon, have already publicly disclosed their scope 3 data.

Decarbonisation has been a key focus area of the Group's sustainability strategy. In 2021, the Group developed a framework to guide and align decarbonisation efforts across the Group, in line with climate science. Due to the wide geographic spread of our investments, there is significant variation in the regulatory and policy environments affecting our portfolio companies, which have implications for the feasibility, cadence and pace of potential decarbonisation initiatives. To account for the size and complexity of Jardines' portfolio, and after close consultation with internal stakeholders, we have segmented our portfolio companies into two pathways, namely Decarbonisation Pathway and Transition Pathway, with a view to achieving credible interim targets and ultimately net-zero by 2050, in line with climate science.

The first Decarbonisation Pathway expects portfolio companies to align their carbon reduction targets with credible, scientific approaches, including SBTi and sector-specific methodologies consistent with a 1.5°C trajectory. Hongkong Land was the first portfolio company to set a 1.5°C near-term target⁶ which was validated by SBTi in 2022. DFI Retail, Gammon and Hactl followed suit in 2023. In 2024, Jardine Engineering Corporation, Zung Fu and Jardine Restaurant Group, have also had their decarbonisation targets validated by SBTi; and PT Astra Graphia has committed to SBTi.

The second Transition Pathway expects the Group's mining and energy portfolio, which has business continuity risk due to significant challenges and unclear decarbonisation pathways, to develop a transition plan to continue their business in a low-carbon economy.

The success of the Group in reducing carbon emissions is dependent on the decarbonisation progress by each portfolio company. Every company is responsible and held accountable for developing decarbonisation plans and delivering on the agreed targets. Each portfolio company develops a scope 1 and 2 decarbonisation roadmap, which includes the details and timeline of different decarbonisation levers to achieve GHG reduction targets. These roadmaps are reviewed every year to track decarbonisation progress and updated based on actual performance to determine upcoming actions and priorities.

The Group's transition plans to achieve its ultimate ambition of net-zero by 2050, rely on the efforts and collaboration of our portfolio companies. In the short term, we focus on decarbonising our scope 1 and 2 emissions following the established roadmaps. Different initiatives such as energy efficiency measures and staff engagement to drive behavioural change are already in place. In the medium term, we will continue to reduce our scope 1 and 2 emissions primarily through renewable energy procurement and start to focus on decarbonising our scope 3 emissions through supplier engagement. In the long term, we will aim to leverage emerging technologies and innovations to address the remaining gaps.

Consistency with TCFD requirements

Our climate-related disclosures meet the reporting requirements for UK listed companies in the Transition Category, and are consistent with the TCFD recommendations on:

- governance – all recommended disclosures;
- strategy – disclosures (a) and (b);
- risk management – all recommended disclosures;
- metrics and targets – disclosure (b).

As we are still in the early stages of our TCFD journey, we acknowledge that we are not fully consistent with TCFD requirements, including the additional guidance for all sectors published in October 2021. As a highly diversified Group, it will take some time for us to fully consider and plan the actions necessary to achieve alignment. We will continue to move forward and improve our disclosure in the coming years. For strategy disclosure (c), we have analysed the climate scenarios to identify certain climate risks and opportunities, and provided the qualitative information of financial impact. We have also adjusted our financial planning accordingly. However, this is an ongoing process and we have not yet fully adjusted our business strategy for climate resilient development under the low emissions scenario. This is a continuous collaboration between Group Sustainability, Finance and Strategy teams in the short-medium term. For metrics and targets disclosures (a) and (c), assessing climate-related risks and opportunities is complex. We will continue exploring the metrics and targets which are applicable across different portfolio companies and industries in the short-medium term.

⁶ SBTi defined near-term target as five to ten years, which is the medium-term target as defined by Jardines.