



SUSTAINABILITY REPORT

Based on Nam Theun 2 data and figures from 2024

TABLE OF CONTENTS

Section 1.1: Nam Theun 2 Key Information.....1

A. Foreword.....1

B. Nam Theun 2 Vision.....2

C. Key Achievements.....3

D. Nam Theun 2 Overview.....3

E. Governance and Shareholders.....4

F. Stakeholders Mapping.....4

G. Integrated Management System under International Standards.....5

Section 1.2: Our CSR Commitments.....7

A. Nam Theun 2 CSR strategy.....7

B. Nam Theun 2 Contribution.....7

Section 2.1: Our People.....10

A. Health, Safety and Hydro Safety.....10

B. Diversity and Equal Opportunities.....12

C. Development and Empowerment.....12

D. Well-being at Work13

Section 2.2: Community and Livelihood Development.....14

A. Education.....14

B. Healthcare.....17

C. Water for Development.....18

D. Infrastructures for Development.....19

E. Dialogue and Grievance Management.....20

Section 3.1: The Environment.....21

A. Water.....21

B. Air.....21

C. Land.....23

Section 3.2: Biodiversity.....24

A. Nakai Nam Theun National Park.....24

B. Conservation of the Asian Elephant and Restoration of the Chinese Swamp Cypress.....25

C. Aquatic life.....25

Section 1.1: Nam Theun 2 Key Information

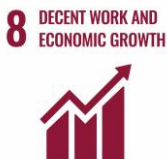
A. Foreword

As we present the Sustainability Report 2024, we reflect on a year of significant progress and unwavering commitment to sustainable development at Nam Theun 2 Power Company. This report underscores our dedication to balancing environmental stewardship, social responsibility, and economic growth.

In 2024, we continued to build on our strong foundation, guided by our comprehensive framework that assesses our performance across twelve critical pillars. These include environmental and social assessment and management, labor and working conditions, water quality and sediments, community impacts and infrastructure safety, resettlement, biodiversity and invasive species, indigenous people, cultural heritage, governance and procurement, communications and consultation, hydrological resources, and climate change mitigation and resilience.

Our efforts have been driven by a deep sense of responsibility to our stakeholders and the communities we serve. We have worked tirelessly to minimize negative impacts and maximize positive contributions, ensuring that our operations not only meet but exceed industry standards.

As we look ahead, we remain committed to advancing our sustainability goals, fostering innovation, and creating lasting value for all. We are proud of the strides we have made and are excited about the opportunities that lie ahead.



Section 1.1: Nam Theun 2 Key Information

B. Nam Theun 2 Vision

MISSION STATEMENT

OUR MISSION IS TO SAFELY GENERATE RENEWABLE ENERGY, **CONTRIBUTE TO THE DEVELOPMENT OF LAOS**, AND BE A HYDROPOWER REFERENCE.

THE DRIVING FORCES IN ACHIEVING THIS MISSION ARE OUR VALUES



SAFETY



RESPECT



INTEGRITY



COLLABORATION



HUMAN POTENTIAL



EFFICIENCY



SUSTAINABILITY



EXCELLENCE

OUR AMBITIONS 2030

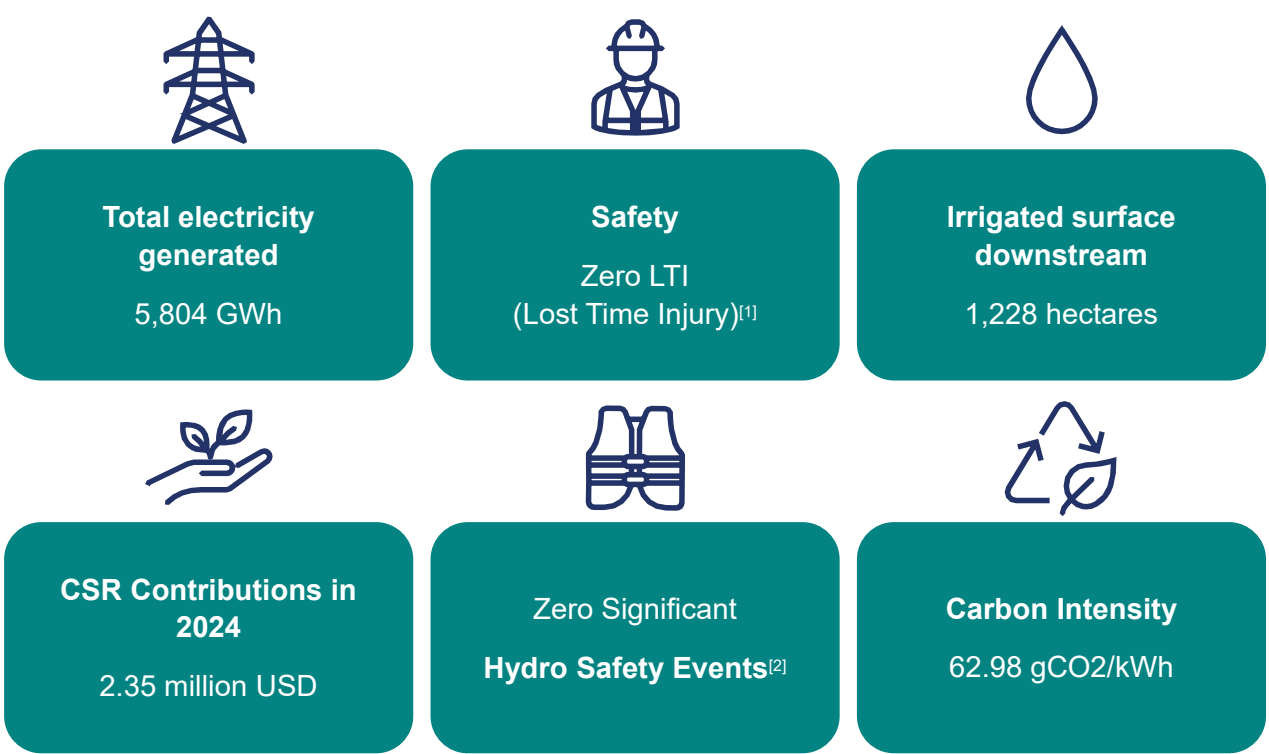
HEALTH, SAFETY & HYDRO SAFETY	HUMAN RESOURCES	OPERATION & MAINTENANCE	INFORMATION
We consistently assess and manage our risks across the company, foster a strong safety culture, and comply to the best international standards of our industry.	We aim to be the reference employer in our industry, through the development of our employees and improvement of their well-being.	We efficiently manage our water resource to ensure the availability and reliability of our facilities, and to satisfy our customers' energy needs.	We leverage technology to increase security, efficiency, reliability, transparency, and collaboration through innovation.
FINANCE	COMMUNICATION	SUSTAINABILITY	STEERING
We provide accurate and timely financial guidance that supports decision-making, the best value for money, and ensures the long-term financial performance of the company.	We actively engage in dialogue and ensure our stakeholders are informed, establishing ourselves as a reputable and responsible company in Laos.	We strive to leave a positive impact on our territories, supporting the improvement of livelihoods, in harmony with our environment.	As "One Company" we implement an integrated management system across the company, promoting a culture of continuous improvement, innovation, high performance and ethics & compliance.

Nam Theun 2 Sustainability Report

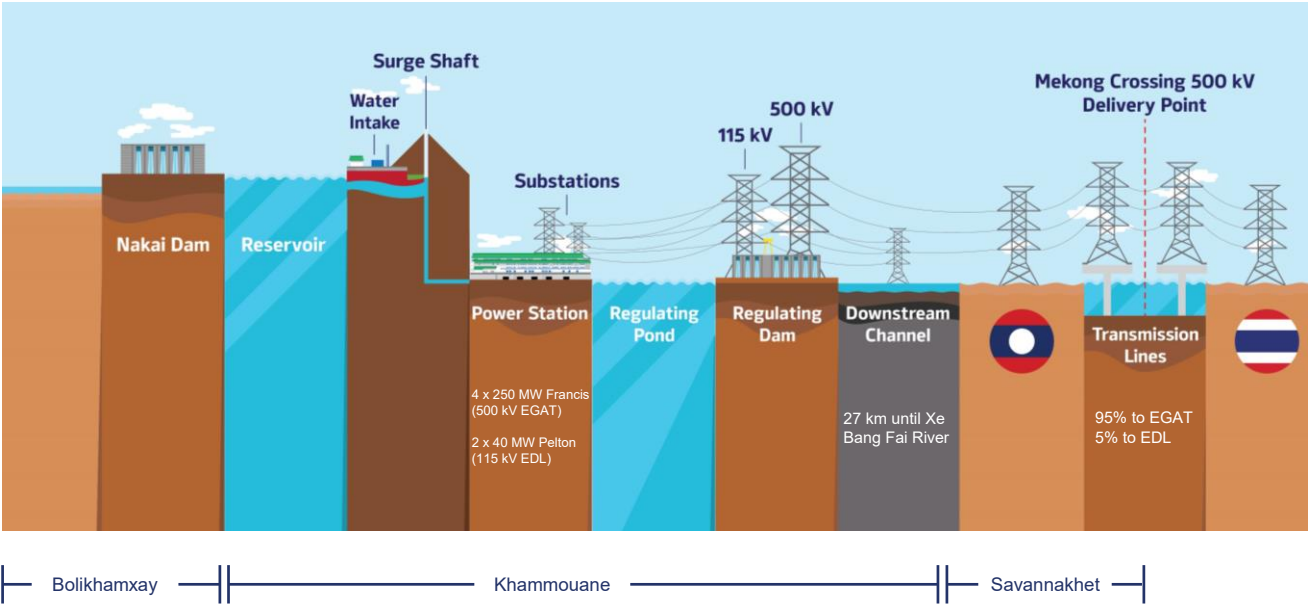
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Section 1.1: Nam Theun 2 Key Information

C. Key achievements



D. Nam Theun 2 Overview

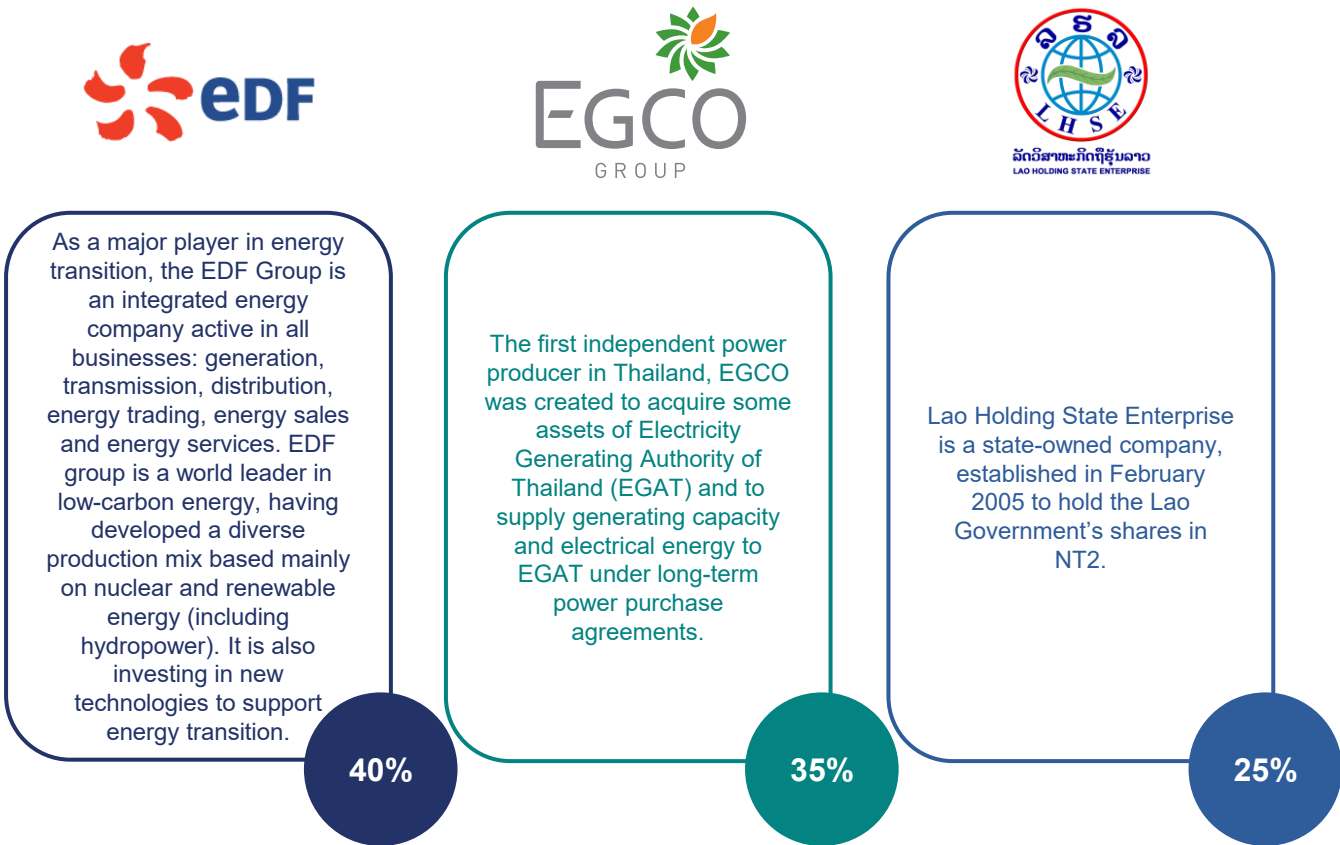


^[1] NTPC employees and contractors
^[2] Significant Hydro Safety Events describe hydro safety events above level 3. The classification levels help in managing risks and ensuring that appropriate measures are taken to mitigate potential hazards.

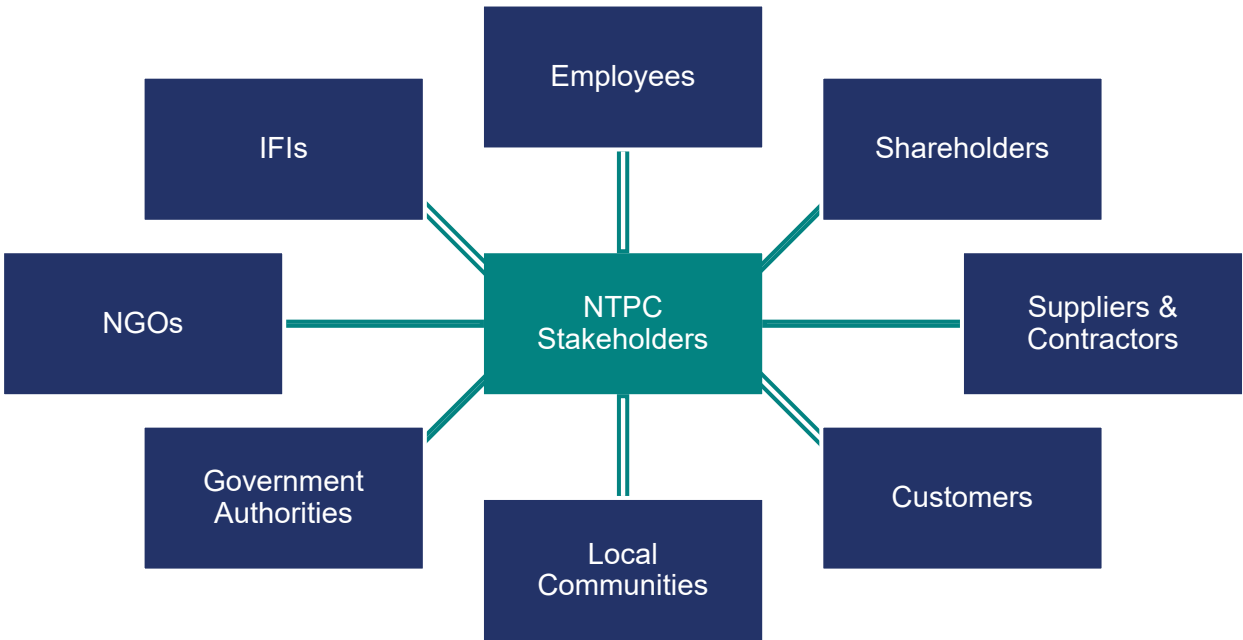
Section 1.1: Nam Theun 2 Key Information

E. Governance and Shareholders

Nam Theun 2 Power Company has 3 shareholders as follows:



F. Stakeholders Mapping



Section 1.1: Nam Theun 2 Key Information

G. Integrated Management System under International Standards

a. Existing Certifications

ISO 14001 - Environment	ISO 45001 - Occupational Health & Safety
Nam Theun 2 Environment Management System has been certified since 2014 with the ISO 14001 certification. This standard ensures that the company is committed to reducing its environmental impact, complying with the regulations, and improve its environmental performance continuously.	In line with its safety culture, Nam Theun 2 has been certified with OHSAS 18001 in 2014 and 2017. This standard was then replaced by ISO 45001 and NTPC has been certified since 2020 with ISO 45001 and renewed it successfully in 2022. This certification ensures a safe workplace for all Nam Theun 2’s employees and encourages the continuous improvement in terms of “Occupational Health and Safety Management Systems”.
ISO 9001 - Quality	ISO 37001 - Anti-Bribery
Nam Theun 2 Quality Management System is certified by the ISO 9001 certification since 2018. This standard ensures that the company adheres to quality regulations, consistently delivers high-quality standards to meet stakeholders’ expectations, and strives for continuous improvement in its processes and operations.	In November 2024, Nam Theun 2 became the first company in Laos to be certified under the ISO 37001:2016 Anti-Bribery Management Systems. This standard ensures that the company is able to prevent, detect, and respond to bribery and to promote an ethical business culture which is in line with the company’s core values.

b. Upcoming Certifications

ISO 27001 - Cybersecurity
ISO 27001 is an international standard for Information Security Management Systems (ISMS). It provides a systematic approach to managing sensitive company information so that it remains secure. The standard outlines requirements for establishing, implementing, maintaining, and continually improving an ISMS.
Nam Theun 2 already has a strong culture of information security management by conducting regular workshops and training its employees to alert them to the risks of phishing, and the best practices to adopt.
Aligning with ISO 27001 is pushing one step further to ensure that Nam Theun 2 can systematically manage the security risks, protect the sensitive information, and build a resilient posture that supports business objectives and stakeholders’ trust.

Section 1.1: Nam Theun 2 Key Information

Lao Dam Safety Certification

The Lao Dam Safety Law, officially enacted in 2022, provides a comprehensive framework to regulate dam safety in Laos. This legislation was developed in response to the increasing number of hydropower projects in Lao PDR and the need to mitigate potential associated risks.

Nam Theun 2 has been working since 2022 with the Government of Lao PDR to ensure that all its activities are in line with the requirements defined in the Lao Dam Safety Law.

Hydropower Sustainability Standard

The Hydropower Sustainability Standard is a set of guidelines and criteria designed to evaluate and ensure the **sustainability of hydropower projects**. It provides a framework for assessing the **environmental, social, and economic performance** of hydropower developments. The standard is used to promote best practices in the industry, aiming to minimize negative impacts and maximize positive contributions to sustainable development.

Nam Theun 2 Power Company decided to get assessed through this standard in 2024 to ensure that its operations remain sustainable, contribute positively to local communities, and mitigate environmental impacts throughout the lifecycle of the project.

The assessment is built around 12 pillars:

- | | |
|---|--|
| 1. Environmental and social assessment and management | 7. Indigenous people |
| 2. Labour and working conditions | 8. Cultural heritage |
| 3. Water quality and sediments | 9. Governance and procurement |
| 4. Community impacts and infrastructure safety | 10. Communications and consultation |
| 5. Resettlement | 11. Hydrological resources |
| 6. Biodiversity and invasive species | 12. Climate Change mitigation and resilience |

A team of Accredited Assessors conducted an **on-site assessment from 22 to 28 October 2024**. This comprehensive assessment required to review all the documents relevant to the 12 sections as well as conducting numerous interviews both internally and externally to ensure that Nam Theun 2 is compliant with the requirements set by the Hydropower Sustainability Standard.



Section 1.2: Our CSR Commitments

A. Nam Theun 2 CSR Strategy

Nam Theun 2 Sustainability Strategy is articulated around 3 main pillars:



BIODIVERSITY AND ENVIRONMENT PROTECTION	LIVELIHOOD AND COMMUNITY DEVELOPMENT	SUSTAINABILITY PROMOTION
<p>Protect and enhance biodiversity to preserve the existing ecosystem and density of forest coverage.</p> <ol style="list-style-type: none">Nakai Nam Theun National ParkAsian Elephant protection and Chinese Swamp Cypress RestorationReforestation Program	<p>Improve the quality of life and promote the well-being of people who are living surrounding NT2 project areas by providing access to (i) higher education, (ii) health care, (iii) water for development, (iv) essential infrastructures.</p> <ol style="list-style-type: none">Social and Environmental Remediation Fund (SERF)Nam Theun 2 Development Fund (NT2DF)Nam Kathang Compensation FundBest Use of Downstream Water	<p>Initiatives to promote the continuous improvement and achieve the long-term sustainability goals of Nam Theun 2 Power Company.</p> <ol style="list-style-type: none">Hydropower Sustainability StandardSustainability ReportCSR CommunicationDonation and Sponsorship

These three pillars ensure that every on-going project benefits the communities and environment in the areas influenced by the company’s activities and is in line with its core values.

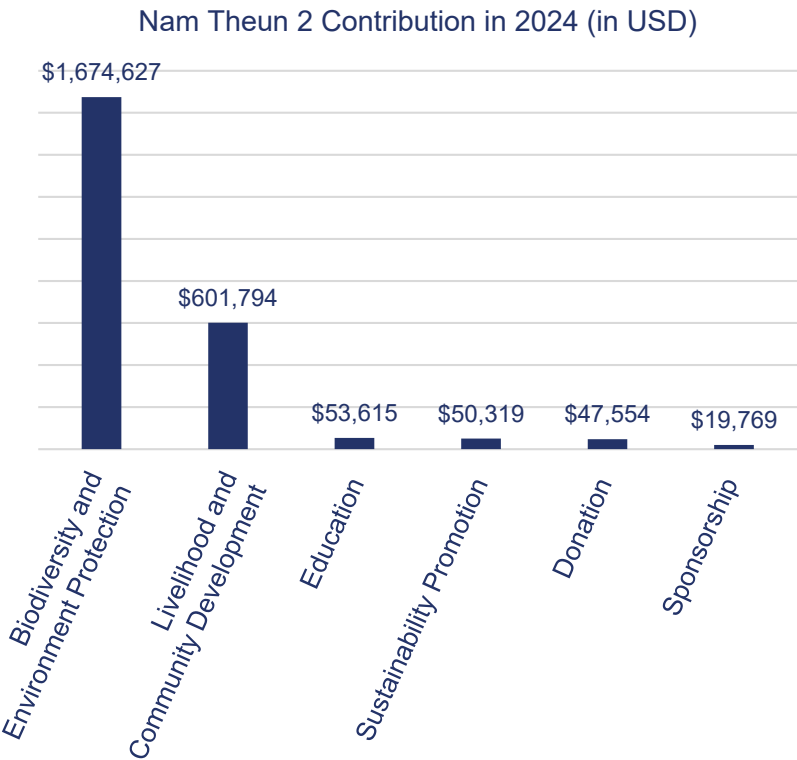
Priority is also given to communication and exchanges with the external stakeholders to share the knowledge and progress towards a more sustainable future.

B. Nam Theun 2 Contribution

Since the beginning of the Concession Agreement in 2005, Nam Theun 2 Power Company has been committed to several obligations towards the local communities and the environment surrounding its industrial zone.

Many of these obligations were completed and closed in 2018 during the closure of the Resettlement Implementation Period but Nam Theun 2 decided to continue with CSR projects beyond its Concession Agreement obligations.

In 2024, Nam Theun 2 contributed a total of **2.5 million USD** to support various fundings, projects, donations, and sponsorships.



Section 1.2: Our CSR Commitments

a. Funding Agreements

FUND	FIELD	AREA	TIMELINE	TOTAL AMOUNT SINCE THE LAUNCH IN USD	2024 AMOUNT IN USD
Nam Theun 2 Development Fund (NT2DF)	Education	Since 2018: Nakai 16 resettlement hamlets	2018 – 2024	1.9M	89.5k
	Health				
	Essential Infrastructures	Nakai, Gnommalath, and Mahaxay Districts	2024 – 2035		
	Water for Development				
Nam Kathang Compensation Fund	Compensate the villagers impacted along the Nam Kathang River	Gnommalath	2019 – 2035	2.5M	120k
	Fund infrastructure projects to support communities (sling bridges, health centers...)	Mahaxay			
Social and Environmental Remediation Fund (SERF)	Ensure the maintenance of the resettlement assets handed over to the Government of Laos	Nakai	2010 – 2035	6M	512.3k USD
	Maintain the community water and irrigation system				
	Support initiatives to improve the well-being of the community				
Nakai Nam Theun National Park (NNT-NP)	Protection and Conservation of biodiversity in the Nam Theun 2 Watershed area.	Nakai	2005 – 2035	26.9M USD	1.6M USD
	Improve livelihoods of multi-ethnic people residing in the NT2 Watershed by focusing on poverty reduction through environmentally sustainable development				
Conservation of Asian Elephants and Chinese Swamp Cypress Restoration	Preservation of the Asian Elephants and Chinese Swamp Cypress in the National Park	Nakai	2005 – 2022	1.5M USD	63,4k USD
			2023 – 2027	63,4k USD	
Best Use of Downstream Water (BUDW)	Optimize the use of downstream channel for irrigation in Gnommalath and Mahaxay. The long-term goal is to create an autonomous water users' group who manage the water outlets located along the downstream channel, independently from Nam Theun 2.	Gnommalath	2020 – 2035	139.5k USD	-
		Mahaxay			

Section 1.2: Our CSR Commitments

b. Donation and Sponsorship

DONATION

Nam Theun 2 allocates a budget of a minimum of **50,000 USD per year** to support meaningful projects for the community and environment.

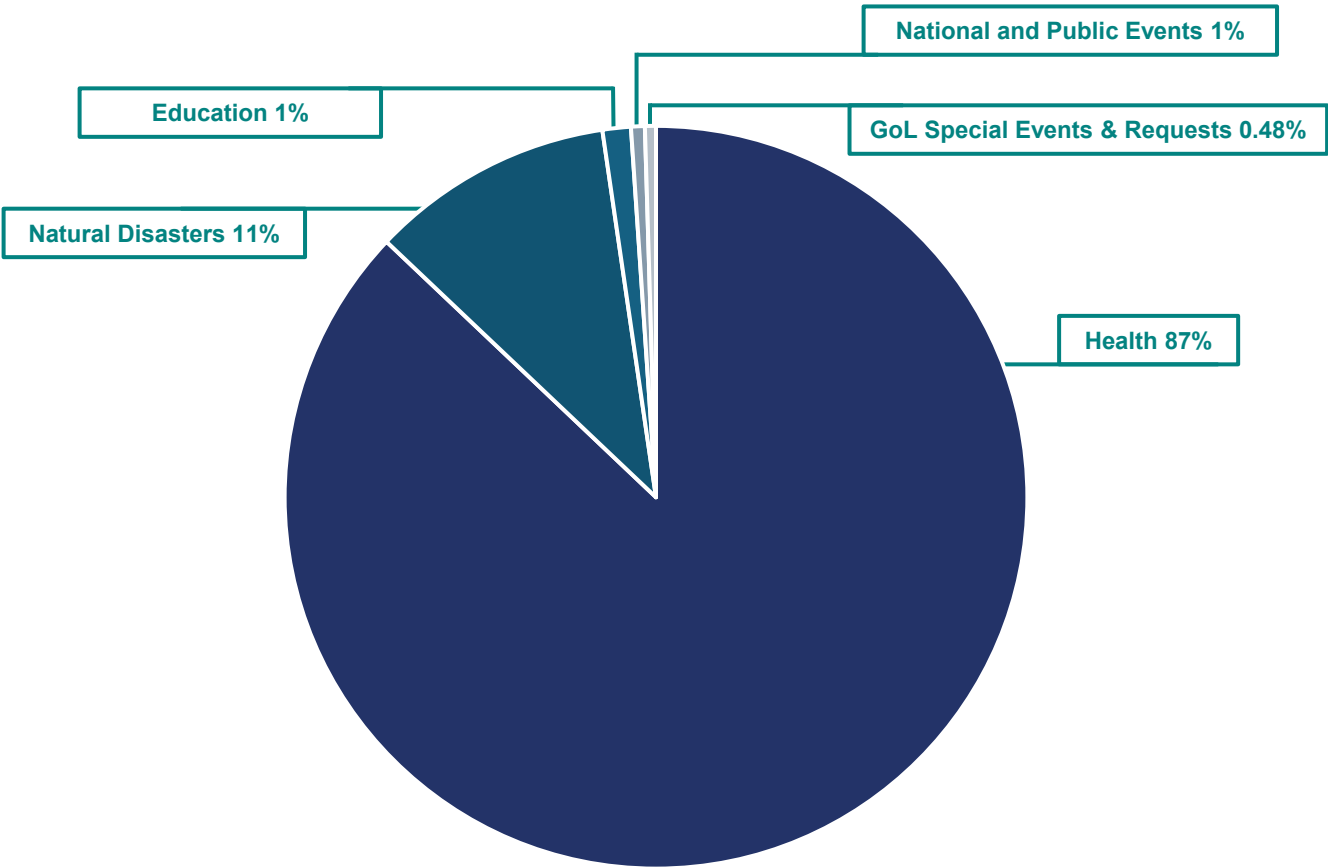
The donation must be a "CSR Action" which falls under the following categories: education, environmental protection, cultural activities, public health, access to clear water supply, access to electricity, emergency response in case of natural disaster declared by the GOL.

Between 2005 and 2024, Nam Theun 2 donated the equivalent of 980k USD.

The donations are mostly in-kind donations such as medical equipment, sports equipment for schools, IT equipment for universities...



In 2024, Nam Theun 2 donated a total of **47,554 USD**:



Section 1.2: Our CSR Commitments

b. Donation and Sponsorship

SPONSORSHIP

In 2024, Nam Theun 2 allocated 19,769 USD in sponsorship, support various events throughout the year:

Vientiane Times 30 th Anniversary	French National Day	Gnommalath Environment Day	42 nd ASEAN Energy Ministers' Meeting
Khammouane Environment Day	Nakai Biodiversity Day	French International School	Khamkeut Boat Festival
ASEAN Lao Handicraft Exhibition	Nakai Boat Festival	Gnommalath Boat Festival	Thakhek Boat Festival

Section 2.1: Our People

A. Health, Safety, and Hydro Safety

HYDRO SAFETY

As a hydropower company, hydro safety is amongst Nam Theun 2's top priorities. Hydro safety consists of all the measures taken during the design, maintenance, and operation of the hydroelectric facilities to guarantee the protection of the people and their assets against dangers related to the presence of water or the operation of the facilities.

- Hydro safety towers are installed to warn the local communities in case of a hydro safety event.
- Yearly dissemination campaign to the local villagers and authorities of the hydro safety risks and the best practices to ensure safety for all.
- In 2024,
 - Nam Theun 2 launched a swimming program for the youth to raise awareness and increase their capacity.
 - Hydro safety song contest was also organized during the Safety Day 2024 so that talents from NK, GML and MHX could write a song and perform on stage.
 - Boat rescue exercise held in the reservoir and medical evacuation exercise from Nakai Dam to Nam Theun 2 camp in Gnommalath.



Section 2.1: Our People

OCCUPATIONAL HEALTH AND SAFETY

In 2024,

Zero
Lost Time
Injury

for NTPC
employees
and
contractors

Each year, Nam Theun 2 organizes a Safety Day. In 2024, the event took place on 24 October and saw the participation of 569 staff members, long-term contractors, downstream channel contractors, local stakeholders, and distinguished guests from four districts: Gnommalath, Mahaxay, Nakai, and Khamkeut.

The theme for this year's Safety Day was **"Stay Alert to Hydro-Safety"**. Several workshop booths were set up, focusing on topics such as hydro-safety, lifting-crane control, blocking systems, working at height, road safety, DSC shutdown, environment, cybersecurity, and first aid. Additionally, there was a Hydro-Safety Song Contest, and the presentation of Safety Outstanding Awards 2024.

The yearly highlight is the signing of the Safety Charter by Nam Theun 2 top management and its contractors to demonstrate a collective commitment to safety.



In September 2024, Nam Theun 2 was awarded with the ASEAN OSHNET Excellence Award in Singapore, upon nomination by the Lao Ministry of Labor and Social Welfare. The ASEAN-OSHNET Excellence Awards celebrate remarkable achievements in occupational safety and health (OSH) across the ASEAN region, highlighting exemplary practices, initiatives, and contributions from member countries

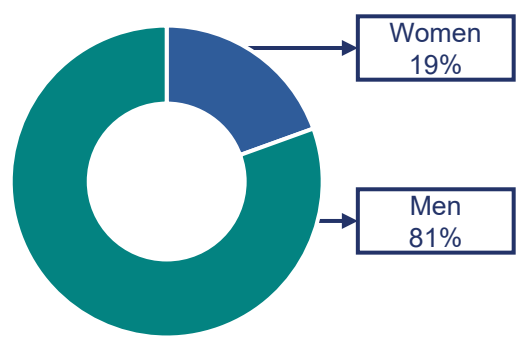


Section 2.1: Our People

B. Diversity and Equal Opportunities

Nam Theun 2 is committed to ensure diversity and equal opportunities at the workplace. The company counts a total of 272 permanent staff from 5 different nationalities and highly values local workforce with **97% of Lao employees**.

Gender Distribution, as of December 2024



78%
of the **Management and Executive** teams composed of **Lao employees**

28%
of the **Management and Executive** teams are composed of **Women**

C. Development and Empowerment

Nam Theun 2 values the skills and knowledge strengthening of its employees and supports their career development through various channels

TRAINING PLAN

- ❖ Nam Theun 2 training plan includes various programs to ensure that staff are well-prepared and qualified for their roles, contributing to the overall development and success of the organization.
- ❖ Various topics are proposed such as cybersecurity, soft skills, computer skills, etc.
- ❖ In 2024, more than 15k training hours were completed with an average of 55 hours of training per employee.

INTERNAL SCHOLARSHIPS

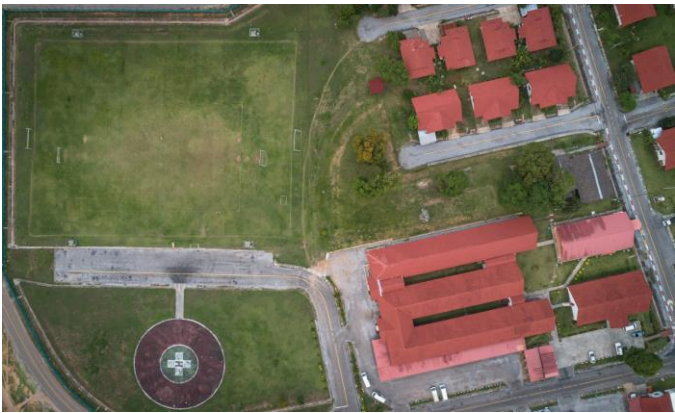
- ❖ Nam Theun 2 supports its Lao employees who are motivated and willing to upgrade their education level through the annual “internal scholarship program”, wherein the company provides scholarship funds for selected employees to get additional degrees to develop their career.
- ❖ Employees can choose to follow a program in Laos or abroad based on the available and suited curriculum.

Section 2.1: Our People

D. Well-being at Work

SPORTS ACTIVITIES

- Annual gym subscription in Vientiane
- Sports facilities
- Annual Sports Day with all NTPC staff participation
- Sports Committee to ensure smooth organization



HEALTH

- Health and accident insurance
- Medical clinic on site for Nam Theun 2 staff and their family



EVENTS

- Community events (regular night markets organized on site for the staff and their families, with their active contribution.
- Annual events to strengthen the “One Company” spirit (Pi Mai Lao, Annual staff party, Women’s Day, etc.)



Section 2.2: Community and Livelihood Development

A. Education

Nam Theun 2 also supports Education for the Community, by providing access to Nam Theun 2 school for Gnommalath students:

	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
Number of villager students (all grades)	78	70	57	53	50	45
Number of villager students who graduated grade 12 (M7)	8 (5 girls)	9 (4 girls)	11 (6 girls)	5 (5 girls)	7 (5 girls)	5 (2 girls)

A total of **45 students from Gnommalath graduated from M7 since 2019.**

In 2025, NTPC targets to offer 5 scholarships to Gnommalath students studying at Nam Theun 2 school to continue supporting their higher education once they graduated from high school.

a. Scholarship

BOURSE D’AVENIR

In partnership with the French Embassy in Lao PDR and Campus France, Nam Theun 2 supports the Bourse d’Avenir program.

Through this program, Nam Theun 2 supports scholarships for Lao talented youth to enable them to pursue a diploma bachelor’s and master’s degree at the university in France.

Upon completion of the studies, these qualified human resources are employed by Nam Theun 2.

Between 2015 and 2024, the total number of scholarship students was 25 scholars.



7 former scholars who graduated from France are now working at Nam Theun 2

4 students are currently studying in France with scholarships.

Section 2.2: Community and Livelihood Development

LONG-TERM SCHOLARSHIP

The Long-Term Scholarship program was first launched in 2015 with the objective of supporting the higher education of talented youth in the 16 resettlement hamlets of Nakai District and improve their access to future opportunities.

Through Nam Theun 2 Development Fund (NT2DF), the company takes in charge the full academic scholarship of the grantees, a monthly allowance, health and accident insurance, annual accommodation fees, and transportation support from their hometown to the university campus.







Nam Theun 2 employees and LTS alumni also joined for an afternoon in order to give the students and present them with the different opportunities for their future career.

In 2024, the grantees received an allowance of 2.5 Million LAK per month.

The students can also attend a tutor camp in the summer to prepare them for the university entrance exam and present them with different fields of studies and job opportunities after higher studies.

In July 2024, 26 students from the entire Nakai District attended this summer camp. Teachers from Savannakhet university volunteered to come and prepare the students for the university entry exam.

			
10 batches of students between 2015 - 2024	Total of 139 students got the LTS scholarship	98 already graduated (including 54 women)	81 got a job after their graduation

In 2024, the Long-Term Scholarship has been expanded to benefit students from the entire Nakai District to give access to a larger number of students. For the school year 2024-2025, **24 new students benefited from the scholarship** and went to study in Vientiane, Khammouane, and Savannakhet. This comprises 10 students from the National Park area and 9 students for Nakai Resettlement area.

Section 2.2: Community and Livelihood Development

b. Internships

Nam Theun 2 supports students who are still completing their academic curriculum by providing them with short-term internships. In 2024, Nam Theun 2 welcomed a total of 17 interns (including 2 international interns). We do believe that it is a great opportunity for students to learn in the field and guide them to decide on their future career choices.



c. Fresh Graduates



- A 11-month program to provide opportunities for recent graduates to have working experience and develop their capacity
- Fully integrated in the team, with given responsibility to empower the youth in various fields: engineering, hydro safety, sustainability, human resources...

d. Educational Support

SCHOOL FEEDING PROGRAM

In April 2024, Nam Theun 2 signed a **Funding Agreement** with the Education for Development Foundation. This initiative aims to assist the Government of Laos in executing the **School Feeding Program** across 16 schools in Nakai, Khammouane Province. The program's goal is to enhance primary school enrolment and attendance in vulnerable and remote areas of Laos by providing free lunches to children. These nutritious meals help students concentrate better, thereby improving their learning conditions.

The program includes activities to improve access to water, sanitation, and hygiene, school vegetable gardens, agriculture, and nutrition education, all of which promote a **healthy and nutritious lifestyle for children** as they grow. Free school lunches also act as a social safety net for vulnerable families, enhancing food security and nutrition for their children.

The funding from Nam Theun 2 for the School Feeding Program focuses on three main objectives:

- **build the capacity of stakeholders** involved in the program
- seeks to improve the program's sustainability by implementing **model schools**
- foster **sustainable school feeding programs** through exchanges and experience-sharing between model schools and other participating schools



Section 2.2: Community and Livelihood Development

EXTERNAL STUDENTS AT NAM THEUN 2

Nam Theun 2 also welcomes schools' study tours upon requests, as well as students writing their research thesis. The company is also keen to receive international and Lao internships to develop their capacity.

B. HEALTHCARE

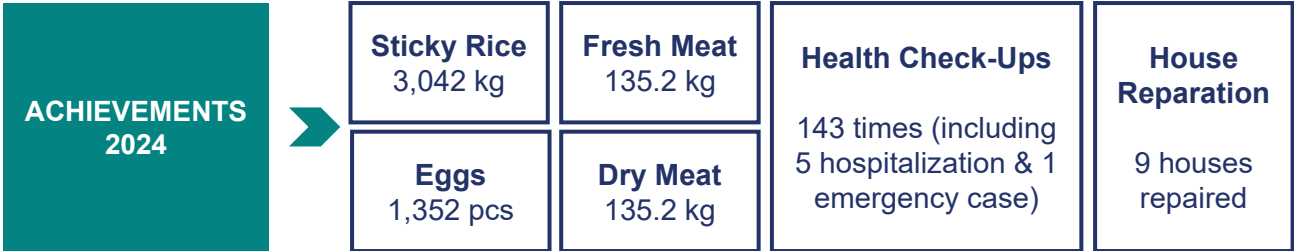
SOCIAL SAFETY NET

Objective: Ensuring the vulnerable people from Nakai 16 resettlement hamlets have access to basic needs and healthcare through nutrition and medicines.

Activities conducted:

- Monthly food distribution
- Housing repair
- Annual health checks up
- Monthly medical visit from the doctor
- Mental healthcare support

Results: Between 2009 and 2024, a total of 106 vulnerable people were supported through the Social Safety Net. Currently, **26 people are supported through the SSN.**



SUPPORT THROUGH MEDICAL EQUIPMENT DONATION

Nam Theun 2 contributes to health infrastructure improvement as well as in-kind donation of medical equipment at District, Provincial, or Central level. In 2024, Nam Theun 2 donated patient beds and medical supplies to Mahaxay District Hospital as well as a ventilator to Mother & Child Hospital in Vientiane Capital.



Section 2.2: Community and Livelihood Development

C. WATER FOR DEVELOPMENT

The “Best Use of Downstream Water” project was launched in 2020 with these four main objectives:

1. Optimizing the use of downstream water to promote the agriculture of Gnommalath and Mahaxay Districts.

2. Mitigate the impact of Climate Change

3. Improve the nutrition and income for the local communities

4. Strengthening the participation of the community through the water users’ group

139.5k USD

to support the Best Use of Downstream Channel Project since 2020.



After 4 years of implementation, Nam Theun 2 achieved to reach the following results in 2024, thanks to the possibility of a second rice plantation for the villagers in Gnommalath and Mahaxay Districts:

Total irrigated surface	Estimate quantity of rice per ha	Estimated income generated per ton
1,228 ha	4 to 6 tons	300 USD

Based on these figures, it is estimated that the income generation is equivalent to more than **1.4 million USD per year** if the total irrigated surface is used and planted with rice fields.

Additionally, the Nam Kathang Compensation Agreement provides irrigation support to the community, covering the territories of both Gnommalath and Mahaxay Districts.

In 2024

Improvement of Thar Thod irrigation system in Gnommalath

This enabled the villagers to increase the irrigated surface for the second annual rice plantation.

Total cost: 1.3 Billion LAK



Section 2.2: Community and Livelihood Development

D. Infrastructures for Development

Renovation of Mahaxay Hospital

Upgraded to a type B facility in order to increase the availability and quality of healthcare services for villagers in Mahaxay and surrounding districts

Total Cost: 408.7 Million LAK

Construction of a standard emergency building in Gnommalath Hospital

Since Gnommalath hospital is a vital type A facility often facing overcrowding issues, this construction improved the accessibility to primary healthcare services for villagers from 5 Districts. This construction was made possible thanks to a community fundraising campaign which raised 50% of the construction cost and then the Nam Kathang Compensation Fund supported the remaining 50% of the cost.

Total cost: 724.9 Million LAK

Section 2.2: Community and Livelihood Development

E. Dialogue and Grievance Management

Nam Theun 2 is also committed to maintaining a positive dialogue with its external stakeholders and especially the local communities located in Nam Theun 2 project area. Thus, grievance management plays an important role in meeting the defined requirements, preventing and addressing community concerns, reducing risks, and assisting larger processes that create positive social changes.

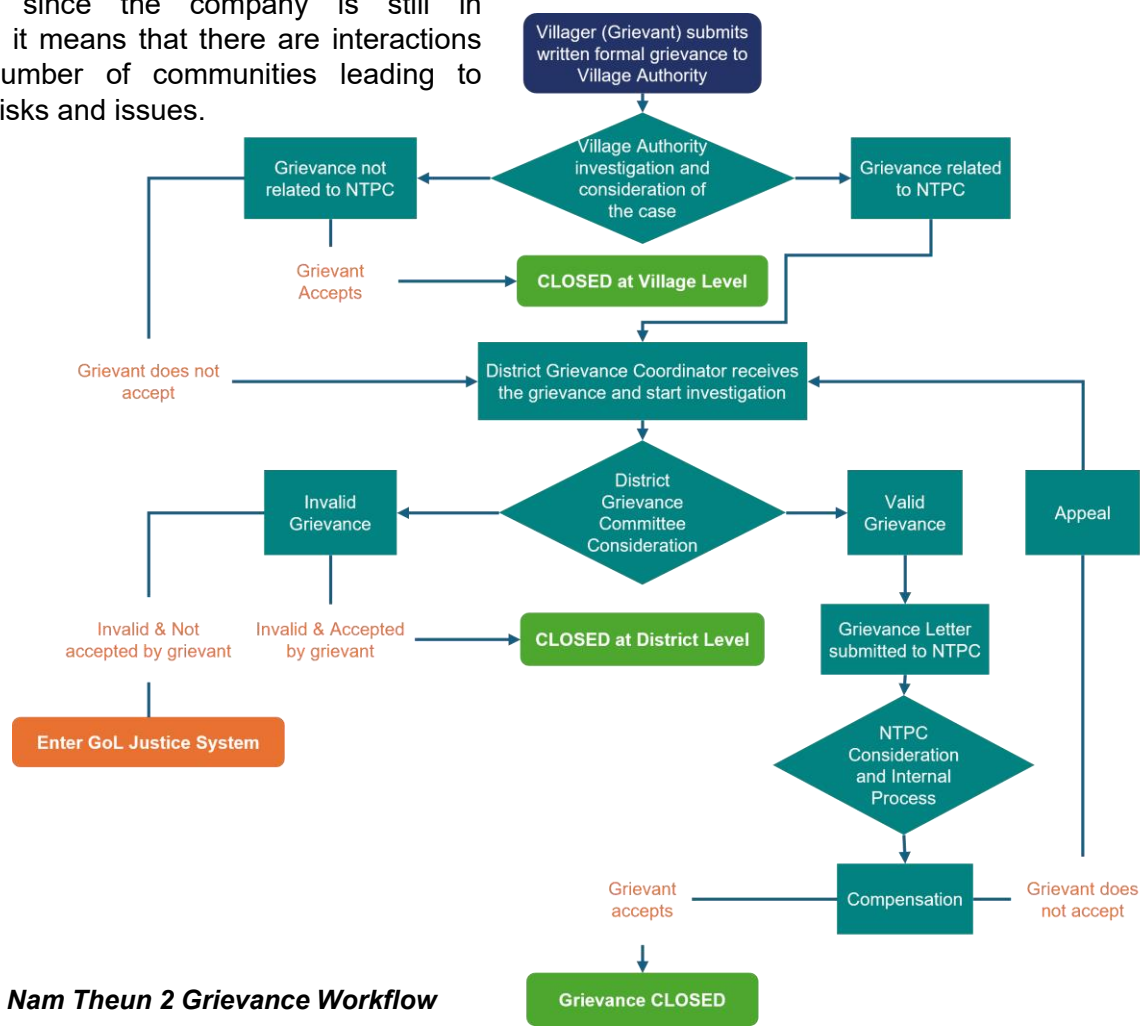
Since the end of both the Downstream Program in 2015 and the Resettlement Implementation Period (RIP) in July 2018, Nam Theun 2 has no more formal obligation to keep a grievance mechanism in place.

However, since the company is still in operation, it means that there are interactions with a number of communities leading to potential risks and issues.

So, as part of its CSR Policy, Nam Theun 2 and the GOL have agreed together to reinstate a Grievance Procedure adapted to the Operation Period and valid for the whole Nam Theun 2 influence area and focusing on the communities most at risk of operational issues.

- The purpose is both to ensure that:
- basic rights and interests of communities affected by the operations of NT2 project are protected
 - concerns are adequately addressed

This new Grievance Procedure has been issued in November 2024 and will be fully implemented starting from 2025 in all the areas affected by the project.



Section 3.1: The Environment

A. Water

a. Water Monitoring

The Aquatic Environment Laboratory (AE-Lab) within the Environment Department of Nam Theun 2 monitors water quality, hydrobiology, and erosion, in 3 areas: upstream, at the reservoir, and in downstream areas.



There are 23 different stations in the reservoir, its upstream rivers and downstream Nakai Dam, in the Nam Kathang River, and finally the Xe Bang Fai River. Water quality plays an important role at Nam Theun 2 and its monitoring is also part of the Concession Agreement requirements

b. Wastewater

All black and grey wastewaters are monitored monthly by Nam Theun 2 to respect the environmental guidelines adopted by the Lao PDR. Levels of Chemical Oxygen Demand (COD) and Biological Oxygen Demand (BOD) are collected at each Nam Theun 2 site.

B. Air

a. Climate Change

CLIMATE FRESK WORKSHOP

Nam Theun 2 launched the Climate Fresk workshop for all its employees in 2024.

As of December 2024, already 68% of Nam Theun 2 staff attended this workshop, with the aim of continuing to expand awareness in 2025.



This workshop aims at raising awareness of Nam Theun 2 staff on the causes and consequences of climate change. It is also a way to collectively reflect on the solutions and areas of improvement at company level.

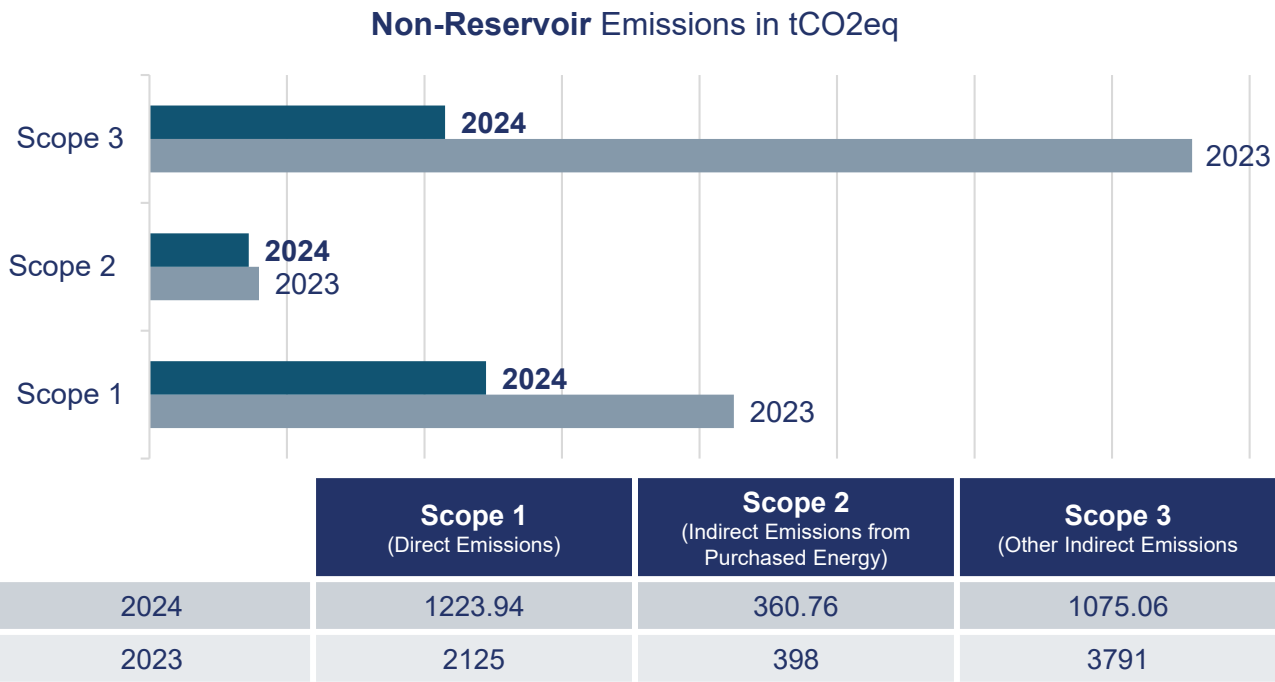
Section 3.1: The Environment

B. Air

a. Climate Change

CARBON FOOTPRINT AND CARBON NEUTRALITY

Nam Theun 2 completed its first carbon footprint assessment in 2023. In 2024, the company re-assessed its carbon footprint following the IPCC guidelines and using the G-Res Tool with the following results:



If both the reservoir and non-reservoir emissions are added together,
the **total emissions 2024** account for
376,078 tCO₂eq

With 5,970.62 GWh generated in 2024

=

62.99 gCO₂eq/kWh



Section 3.1: The Environment

b. Air Pollution from slash-and-burn

Slash and burn agriculture is a traditional farming method in Laos, where vegetation is burned to create nutrient-rich soil for crops. However, this practice has led to severe air pollution, particularly during the dry season. The World Health Organization identifies slash and burn agriculture as a major contributor to air pollution in Laos

NTPC is thus committed to contribute to the reduction of air pollution through awareness activities to the local communities and youth.

REFORESTATION - FRUIT TREES IN 25 SCHOOLS

In 2024, Nam Theun 2 launched a reforestation project and environment awareness campaign in 25 schools in Nakai, Gnommalath, and Mahaxay Districts. 2 nursery houses were implemented to grow seedlings (baby trees): Nakai and Gnommalath high schools, in order to empower the students and build their knowledge and capacity. More than 1000 fruit trees seedlings were planted across 25 schools in Nakai, Gnommalath, and Mahaxay Districts starting from June 2024, and this program will still be pursued in 2025 to reinforce the youth awareness.

- Objectives:
- 1. Create awareness about the environment and biodiversity protection to the youth
 - 2. Involve them in meaningful actions for their school and for their hometown because they can contribute to the change of future
 - 3. Provide a source of nutrition
 - 4. Improve the school environment



C. Land

a. Waste Management

ON SITE

- Nam Theun 2 implements waste segregation for the staff and the RNT community with dedicated sorting bins.
- Yearly awareness on the best practices
- Nam Theun 2 has its own landfill under its management to manage regular waste and hazardous waste in a responsible manner.

NAKAI AND GNOMMALATH LANDFILLS

Nam Theun 2 supported the creation of a landfill both in Nakai and Gnommalath and handed over this project to the District authorities to manage and maintain the landfills for the local community.

Section 3.1: The Environment

b. Riverbank erosion monitoring

Nam Theun 2 Environment Team is conducting regular monitoring downstream of the project, along the Xe Bang Fai River to monitor and control the potential erosion in order to preserve the environment and biodiversity.

The company) has implemented several initiatives to manage riverbank erosion and ensure the sustainability of the Nam Kathang Riverbank. By 2026, NTPC aims to complete three engineering structures and eight bioengineering solutions to protect the riverbank with the collaboration of local authorities and communities.

Section 3.2: Biodiversity

A. Nakai Nam Theun National Park

Nam Theun 2 is committed since 2005 and until the end of the Concession Agreement in 2035 to fund the National Park. In 2024, Nam Theun 2 provided funding of 1.59 million USD to the National Park Authority.

The watershed area of Nam Theun 2 is part of the Nakai - Nam Theun National Park, one of the key biodiversity hotspots in South-East Asia. This wet evergreen forest covering more than 4,000 km2 of the Annamite range is home to many rare and endangered species of fauna and flora.



The future targets of the Government for the following years are to submit the candidacy of the National Park to the IUCN Green List and obtain the UNESCO natural world heritage site classification.

B. Conservation of the Asian Elephant and Restoration of the Chinese Swamp Cypress Program

Originally, the Elephant and Chinese Swamp Cypress Program was an obligation under the Nam Theun 2 Concession Agreement in order to protect the Asian Elephant and Chinese Swamp Cypress in Nakai Nam Theun National Park.

Starting from 2023 and until December 2027, it became a voluntary funding implemented with the Department of Forestry, Ministry of Agriculture and Forestry.

Section 3.1: The Environment



ASIAN ELEPHANTS

- The main objectives of the program are:
- Monitoring and conservation of the Asian elephants and their habitat
 - Capacity building and awareness campaign to the local communities and authorities
 - Artificial Mineral Lick replenishment in the National Park for the Elephants

CHINESE SWAMP CYPRESS

The Chinese Swamp Cypress (*Glyptostrobus pensilis*) was classified in the red list of endangered tree species by the IUCN (International Union for the Conservation of Nature) in 2006.

At present time, it can only be found in 3 countries in the world (China, Vietnam and Laos).

Based on the research, the Chinese Swamp Cypress in Laos can only be found in the Nakai - Nam Theun National Park where its population has been on the decline in recent years due to logging, forest clearing for food crops and very few number of trees able to produce viable seeds or to reproduce vegetatively^[3].



- The two main objectives of this program are:
- Protecting it from extinction with the support of conservation partners to reintroduce this species in the national park, where it is known to thrive
 - Support scientific research

C. Aquatic Life

a. Species Monitoring

Nam Theun 2 teams conduct regular monitoring of the fish in the upstream and downstream areas. The monitoring is done through various techniques: sampling, eDNA...

PROMOTING RESEARCH THROUGH COOPERATION

In October 2024, the French National Research Institute for Sustainable Development (IRD) and Nam Theun 2 Power Company celebrated the grand opening of the **International Centre for Environmental Research and Education (CIREN)** in Nakai district, Khammouane Province.

CIREN will serve as a hub for research, education, and capacity building in environmental conservation. It will focus on equipping local students with the knowledge and skills needed to address environmental challenges and contribute to the sustainable management of natural resources.

The center's location in proximity to the Nakai Nam Theun National Park provides a unique opportunity for hands-on learning and research in a diverse and ecologically important area.



^[3] The IUCN Red List of Threatened Species (2020)



At Nam Theun 2 Power Company,
we are committed to leave a positive
impact on our territories, supporting
the improvement of livelihoods, while
protecting our environment

For more information



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