Environmental - APR

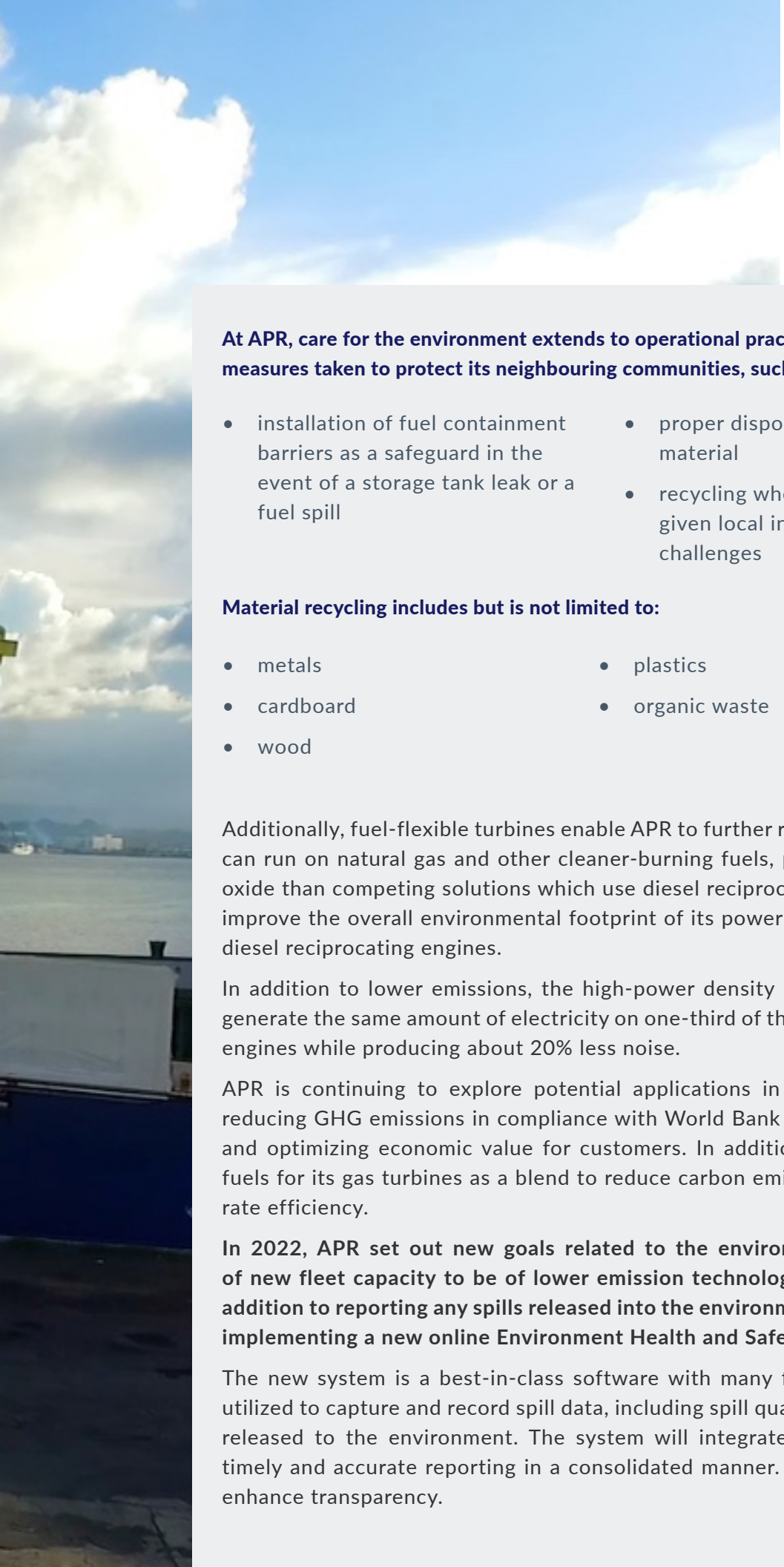
We are making investments in the future with the right strategic decisions around our management of ESG as we build it into everything that we do as a company.

—BENJAMIN CHURCH, CHIEF EXECUTIVE OFFICER, APR

OVERVIEW

APR's position on environmental protection is rooted in its core value of protecting its employees and the communities in which it operates. Recognizing humankind's direct and indirect health and economic dependence on the wellbeing of our planet and local ecosystems, APR strives to provide power generation solutions that leverage advanced technologies and meet stringent environmental requirements.

Like Seaspan and its fleet, APR does not directly control the emissions resulting from operating its power plants. APR's customers control many of the factors that determine emission levels and fuel efficiency of the power plants, including the type of fuel used and the operational profile of the generating units. APR is dedicated to minimizing its environmental impact through its global business activities. Its aero-derivative turbines offer the most fuel-efficient technology available in the fast-track power market. APR's equipment is controlled by modern electronic management systems that automatically increase flexibility and efficiency and comply with emission guidelines set forth by the World Bank.



At APR, care for the environment extends to operational practices and measures taken to protect its neighbouring communities, such as:

- installation of fuel containment barriers as a safeguard in the event of a storage tank leak or a fuel spill
- proper disposal of oil and waste material
- recycling where practicable, given local infrastructure challenges

Material recycling includes but is not limited to:

- metals
- cardboard
- wood
- plastics
- organic waste

Additionally, fuel-flexible turbines enable APR to further reduce emissions. These turbines can run on natural gas and other cleaner-burning fuels, producing 38-94% less nitrogen oxide than competing solutions which use diesel reciprocating engines. APR continues to improve the overall environmental footprint of its power generation fleet by phasing out diesel reciprocating engines.

In addition to lower emissions, the high-power density of the turbines means they can generate the same amount of electricity on one-third of the land required for reciprocating engines while producing about 20% less noise.

APR is continuing to explore potential applications in flare gas with the purpose of reducing GHG emissions in compliance with World Bank 2030 zero gas flaring initiatives and optimizing economic value for customers. In addition, APR is exploring alternative fuels for its gas turbines as a blend to reduce carbon emissions and improve overall heat rate efficiency.

In 2022, APR set out new goals related to the environment, including reducing 20% of new fleet capacity to be of lower emission technology over the next three years, in addition to reporting any spills released into the environment. APR also set a roadmap for implementing a new online Environment Health and Safety management system.

The new system is a best-in-class software with many features, some of which can be utilized to capture and record spill data, including spill quantity, spills contained, and spills released to the environment. The system will integrate across all locations, providing timely and accurate reporting in a consolidated manner. Ultimately, the new system will enhance transparency.