



# Anhui Expressway Company Limited

(A joint stock limited company incorporated in the People's Republic of China)

Stock Code: 0995

## 2021 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT





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## ABOUT THIS REPORT

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### 1 ABOUT THIS REPORT

#### 1.1 Basis of Preparation

This report is prepared with references to the “Notice on Enhancing Assumption of Social Responsibilities for Listed Companies and Release of Guidelines on Environmental Information Disclosure by Listed Companies on Shanghai Stock Exchange” and the “Guideline for Preparing Report on the Performance of Social Responsibilities” by Companies issued by the Shanghai Stock Exchange and the “Environmental, Social and Governance Reporting Guide” set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

#### 1.2 Scope of Reporting

This report disclosed the relevant information of Anhui Expressway Company Limited for the period from 1 January to 31 December 2021 on its performance of Environmental, Social and Governance (ESG) responsibilities in a comprehensive manner. In order to enhance the comparability and perspectiveness of the report, some contents have been extended.

#### 1.3 Salutation Description

In this report, “Anhui Expressway”, “Company” and “we” all refer to “Anhui Expressway Company Limited”.

#### 1.4 Reliability Guarantee

The preparation of the report follows the reporting principles of importance, quantification, balance and consistency. All information used in the report came from official documents, statistical reports or public data of internal systems of the Company. The Company undertakes that the report is free from any false or misleading statements and is responsible for the authenticity, accuracy and completeness of the contents. After being confirmed by the management, the report was considered and approved at the nineteenth meeting of the ninth session of the Board of Directors of the Company on 28 March 2022.

#### 1.5 Report Access

This report is published in electronic version and can be downloaded and accessed on the website of Anhui Expressway Company Limited ([www.anhui-expressway.net](http://www.anhui-expressway.net)), the website of the Shanghai Stock Exchange ([www.sse.com.cn](http://www.sse.com.cn)) and the website of The Stock Exchange of Hong Kong Limited ([https://www.hkexnews.hk/index\\_c.htm](https://www.hkexnews.hk/index_c.htm)).

## ESG STATEMENT OF THE BOARD

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### 2 ESG STATEMENT OF THE BOARD

Anhui Expressway is committed to the promotion and construction of sustainable development, and firmly considers that sustainable development is the guarantee for the Company's long-term stable progress and development. The Board of Directors of the Company is the highest responsible and decision-making body for ESG matters, and is responsible for supervising the development of ESG work and regularly reviewing relevant reports.

In 2021, Anhui Expressway continuously improved ESG governance structure, revised and improved the relevant articles of Terms of Reference of the Strategic Development and Investment Committee of the Company to enhance the Board's participation in ESG work. Through the cross-departmental ESG work organization structure, we supervised the quality of ESG information disclosure and ensured the orderly development of ESG work. The Company integrated ESG work into the daily business management and operation of various departments and continuously increased the efficiency of ESG work.

Based on the external social and economic macro environment and the Company's development strategy, Anhui Expressway regularly evaluated the importance of ESG issues and improved the Company's performance on various issues. In 2021, we strengthened the management of ESG core risks such as road quality, traffic safety, smooth roads and high-quality services, supervised and enhanced the actual performance of the Company, and carried out risk assessment and management in response to climate change. The Company responded to the social sustainable development goals of green operation, green maintenance and green transportation by setting environmental management goals. The Board of Directors organically integrated key ESG issues into the Company's overall strategy, and supervised and regularly reviewed related work.

This report disclosed in detail the progress and effectiveness of the ESG work of Anhui Expressway in 2021, and was considered and approved at the meeting of the Board of Directors on 28 March 2022.





## ABOUT US

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### 3 ABOUT US

#### 3.1 Corporate Profile

Anhui Expressway Company Limited was incorporated on 15 August 1996 in Anhui Province, the PRC. It is the first PRC highway company listed in Hong Kong and also the only listed highway company in Anhui Province. The Company issued overseas-listed foreign shares (H shares) in November 1996 and has been listed on The Stock Exchange of Hong Kong Limited; and issued RMB ordinary shares (A shares) in the PRC in January 2003 and has been listed on the Shanghai Stock Exchange.

The Company is principally engaged in the investment, construction, operation and management of partial toll roads within Anhui Province. The Company currently owns all or part of the toll road equity interests in Hening Expressway (G40 Hushan Expressway Hening Section), New Tianchang Section of National Trunk 205, Gaojie Expressway (G50 Huyu Expressway Gaojie Section), Xuanguang Expressway (G50 Huyu Expressway Xuanguang Section), Guangci Expressway (G50 Huyu Expressway Guangci Section), Ninghuai Expressway Tianchang Section, Lianhuo Highway Anhui Section (G30 Lianhuo Expressway Anhui Section), Ningxuanhang Expressway, Anqing Yangtze River Expressway Bridge, Yuewu Expressway Anhui Section, among others within Anhui Province.

#### 3.2 Corporate Strategy

Currently, our corporate development strategy is as follows:

**Strategic positioning:** To commit to building Anhui Expressway into an industry-leading, domestic first-class expressway operation management platform and capital operation platform. During the “14th Five-Year Plan” period, Anhui Expressway will focus on building a unified expressway operation and management platform, actively adapt to the new situation of national “one network” operation and management, speed up the Company's upgrade from traditional operation mode to innovation-driven, and build high-level operation management platform, creating a new benchmark for expressway operation management. At the same time, the Company will actively carry out capital operation, expand the scale of the main business, optimize the industrial structure, and strive to build a first-class capital operation platform for listed companies in China.

## ABOUT US (Continued)

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**Development idea:** During the “14th Five-Year Plan” period, the Company will focus on the strategic goals and adhere to the “1235” development idea, namely closely adhering to the high-quality development core, strengthening and refining the operation management and capital operation platform, and creating an “innovative, leading, value-oriented” enterprise, implementing mechanism startup, digital empowerment, talent-oriented power enterprise, risk control improvement and party building leading projects.

### 3.3 Corporate Governance

A sound and effective corporate governance structure is a top-level guarantee for a company to achieve its sustainable development. Anhui Expressway is committed to achieving a high standard of corporate governance and has strictly complied with the requirements of laws, regulations and regulatory documents for listed companies, including the “Company Law of the People’s Republic of China”, “Securities Law of the People’s Republic of China”, the “Rules of Procedure for Shareholders’ General Meeting”, the “Code of Corporate Governance for Listed Companies”, and has continued to improve its corporate governance standards and achieve high standards of corporate governance.

#### 3.3.1 Governance Structure

The Board of Directors of the Company is responsible for leading and supervising the Company’s business, strategic policy and performance, and performing corporate governance responsibilities, including improving the Company’s governance system, formulating the Company’s overall strategic plan, and determining long-term performance and management objectives, etc. The Board has established the Strategic Development and Investment Committee, the Human Resources and Remuneration Committee and the Audit Committee. Each of the committees has specified its terms of reference, and conducted in-depth research on its own professional issues and provided scientific and reasonable professional advice to the Board, which can effectively improve the corporate governance and operational efficiency of the Company. The Supervisory Committee conducts inspections and supervision on the performance of duties by the senior management by holding regular meetings, considering the work report and thematic reports of the management in accordance with the procedures and voting procedures stipulated in the “Regulations on Work of Supervisory Committee” (《監事會工作條例》). During the reporting period, according to the requirements of the “Opinions of the State Council on Further Improving the Quality of Listed Companies” (國務院《關於進一步提高上市公司品質的意見》), the “Announcement of the China Securities Regulatory Commission’s on Carrying out Special Actions on the Governance of Listed Companies” (中國證

## ABOUT US (Continued)

券監督管理委員會《關於開展上市公司治理專項行動的公告》), the “Notice of the China Securities Regulatory Commission’s Anhui Bureau on Effectively Making Special Work on the Governance of Listed Companies” (中國證券監督管理委員會安徽監管局《關於切實做好上市公司治理專項工作的通知》), and in accordance with the “Company Law of the PRC” (《中華人民共和國公司法》), the “Securities Law of the PRC” (《中華人民共和國證券法》) and other relevant laws and regulations and the “Articles of Association”(《公司章程》), together with the self-examination checklist for special governance, the Company sorted out the relevant information item by item for the period from 1 January 2018 to 31 December 2020, and formed the “Self-Inspection Report on Special Governance of the Company” (《公司治理專項自查報告》), which was approved for consideration at the 7th meeting of the 9th session of the Board of Directors.

The members of the Board of Directors of the Company have various backgrounds or professional skills in highway industry, engineering construction, investment strategy, enterprise management, financial accounting, financial securities, etc. In 2021, the Company had 9 directors, including 4 executive directors, 2 non-executive directors and 3 independent non-executive directors. In 2021, the Company held a total of 3 general meetings, 11 Board meetings, 1 Strategic Development and Investment Committee meetings, 5 Human Resources and Remuneration Committee meetings and 4 Audit Committee meetings.

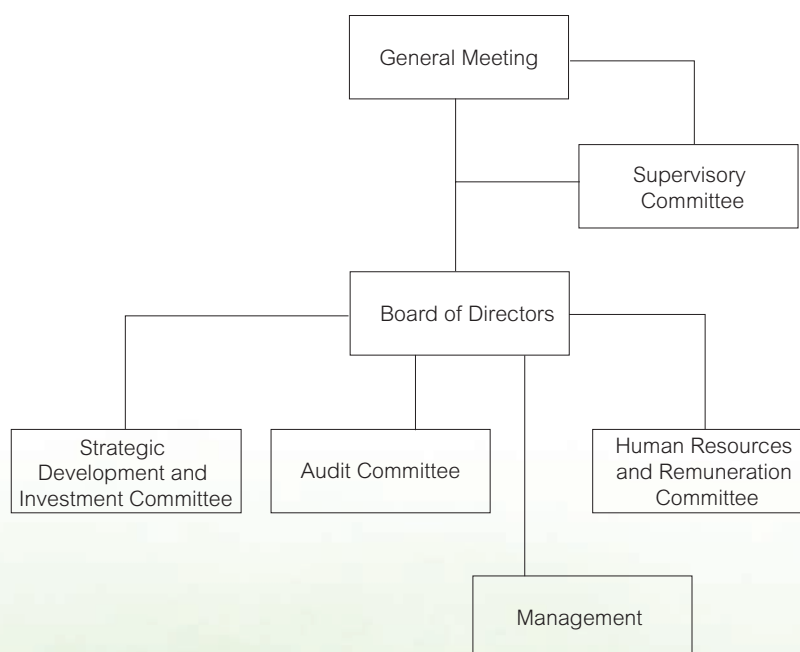


Photo: Governance Structure of Anhui Expressway



## ABOUT US (Continued)

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### 3.3.2 ESG governance

Anhui Expressway is committed to the promotion and construction of sustainable development, and firmly believes that sustainable development is the guarantee for the Company's long-term stable progress and development. In January 2021, the Company held the 5th meeting of the 9th session of the Board of Directors to improve and revised the relevant articles of its "Terms of Reference of the Strategic Development and Investment Committee" (《戰略發展及投資委員會職權範圍書》) to clarify the responsibilities of the members of the Board of Directors in environmental, social and governance management, further enhance the participation of the Board of Directors in ESG work, and realize the continuous improvement and promotion of the Company's ESG-related work. In March 2022, the Strategic Development and Investment Committee of the Board of Directors pre-reviewed the Company's ESG report in 2021, and made comments on the content of the report and ESG-related work arrangements in 2022.

Anhui Expressway established a cross-departmental ESG working organization structure in January 2019, which was responsible for supervising the ESG information disclosure quality and ensuring the orderly development of ESG work. It was headed by the general manager of the Company, with nine persons including the deputy general manager and members of the Board of Supervisors serving as the deputy leaders and Secretariat Office to the Board as the main implementation department of report preparation. In 2021, the Company continued to promote the improvement of ESG work standards, stabilized the functions of the ESG working group, and integrated ESG work into the daily business management and operation of all departments. With the cooperation of the office, operation and service department, maintenance and management department, human resources department, department of party work and other departments, the Company conducted regular collection, reporting and review of ESG information to improve the statistical management and control efficiency of ESG-related information and the efficiency of ESG work.

## CONSOLIDATING A ROAD FOR SUPPORTING OUR OPERATION

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### 4 CONSOLIDATING A ROAD FOR SUPPORTING OUR OPERATION

Anhui Expressway actively fulfilled its economic, environmental and social responsibilities while developing its business, adhered to responsibility management, continuously optimized the ESG management system, and comprehensively promoted the business philosophy of sustainable development. During the “14th Five-Year” period, the Company closely followed the theme of high-quality development, took a leading role of party construction, strengthened honest construction, communicated with stakeholders in various forms, listened to and responded to the needs of different stakeholders, and realized a harmonious and win-win relationship between the Company and various stakeholders.

#### 4.1 Responsibility Management

As a state-owned listed enterprise, Anhui Expressway is committed to promoting social development and people’s livelihood services. It always adheres to the core values of “integrity, pragmatism, innovation and responsibility”, and insists on the corporate philosophy of building roads for the society, financing the government, benefiting investors, and bringing a better travel service for the people. The Company actively undertakes corporate social responsibility, safeguards the legitimate rights and interests of stakeholders, and makes efforts to realize the vision of being the “strong support of the country’s transportation and the role model in the industry”.

##### 4.1.1 Stakeholder communication

Anhui Expressway appreciates the communication with stakeholders. By building a sound communication mechanism, it understands and responds to the expectations and demands of various stakeholders, and uses efficient and convenient diversified communication methods to continuously improve the effectiveness of communication with stakeholders. The following table shows the communication methods used by Anhui Expressway and the main concerns and expectations of stakeholders.

## CONSOLIDATING A ROAD FOR SUPPORTING OUR OPERATION (Continued)

Table: Table of Communication among Stakeholders

Stakeholders	Expectations and demands	Communication methods
<b>Investors/ shareholders</b>	Improved operating performance	General meeting of shareholders
	Transparent information disclosure	Holding of performance briefing
	Practice of integrity	Periodic reports and information announcements
	Increased proportion of cash bonus	Exchange visits
<b>Governments and regulators</b>	Compliance operation according to laws	Daily report and communication
	Enhance risk management and control	Meetings
	Support local development	Forum and exchange activities
		Periodic reports and information announcements
<b>Staff</b>	Career promotion space	Regular meeting
	Training and growth	Daily communication
	Performance feedback	Regular training
	Healthy and safe working environment	Employee activity
	Balance of work and life	



## CONSOLIDATING A ROAD FOR SUPPORTING OUR OPERATION (Continued)

Stakeholders	Expectations and demands	Communication methods
<b>Customers/drivers and passengers/ road users</b>	Enhance customer experience	Customer service hotline
	Feedback and customer complaints	Customer complaint platform
	Protect customer privacy	Customer satisfaction survey
	Open and transparent charges	Toll information disclosure Road information disclosure
	Road is in good condition Road safety and rescue	
<b>Environment</b>	Environmental management	Environmental information disclosure
	Green operation	Forum and exchange activities
	Publicity and education	
<b>Suppliers/Partners</b>	Open and fair bidding	Electronic bidding platform
	Cooperation in good faith	Business development and cooperation
	Regular communication and feedback	Meetings
	Win-win development	
<b>Community/the Public</b>	Community communication	Public welfare activities
	Community public welfare activities	Volunteer service Targeted poverty alleviation Information disclosure

# CONSOLIDATING A ROAD FOR SUPPORTING OUR OPERATION (Continued)

## 4.1.2 Determination of major issues

Anhui Expressway attaches great importance to the identification and management of ESG issues, and regularly invites internal and external stakeholders to participate in the identification of environmental, social and governance issues in accordance to the requirements of the “Environmental, Social and Governance Reporting Guide” (《環境、社會及管治報告指引》) of the Stock Exchange, which is the basis for the Company’s assessment of material issues.

The Company conducted surveys for a wide range of stakeholders every two years and communicated with stakeholders through an on-line questionnaire survey in 2020 to fully understand the sustainable development issues concerned by various stakeholders. In 2021, based on the results of past questionnaires, we sorted out our own business development and ESG work performance, and reviewed and revised the materiality matrix of issues.

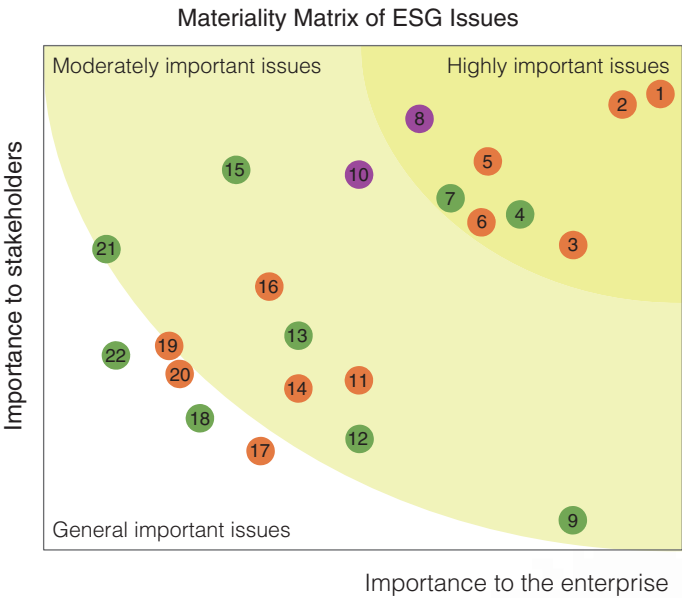


Photo: Materiality Matrix of ESG Issues in 2021

## CONSOLIDATING A ROAD FOR SUPPORTING OUR OPERATION (Continued)

Table: List of Material ESG Issues of Anhui Expressway

List of material ESG issues (from high importance to less importance)			Corresponding sections
Issues of high importance	1	Improve road quality and ensure traffic safety	Safety management Road safety Operational safety
	2	Keep roads clear and improve transportation efficiency	Efficient traffic Emergency smoothing Quality service
	3	Improve the quality of road service and build a service brand	Quality service Green conservation
	4	Water resources utilization and measures to protect water resources	Green conservation Green office
	5	Avoid child labor and forced labor	People-oriented
	6	Employee safety and health guarantee	Employee care
	7	Highway noise standards and control	Green conservation
	8	Anti-corruption	Prudent operation
Issues of moderate importance	9	The rational use of land and the harmonious relationship with residents residing along such roads	Green conservation
	10	Develop sustainable development plan, management system and ESG risk assessment	Corporate governance
	11	Consumer privacy protection	Quality service
	12	Efficient use and recovery of resources	Green service Low-carbon environmental protection
	13	Energy consumption and energy-saving measures	Low-carbon environmental protection
	14	Employee training and development	Nurture talent
	15	Solid waste disposal and emission reduction measures	Green conservation Low-carbon environmental protection
	16	Customer complaint response and communication	Quality service



## CONSOLIDATING A ROAD FOR SUPPORTING OUR OPERATION (Continued)

List of material ESG issues (from high importance to less importance)			Corresponding sections
Issues of less important	17	Community public welfare construction	Rural revitalization Volunteer activities Epidemic prevention and control
	18	The impact of highway construction on biodiversity	Green service
	19	Supply chain management	Win-win cooperation
	20	Employee compensation and benefits	People oriented
	21	Air pollution management	Low-carbon environmental protection
	22	Greenhouse gas and carbon emission management and emission reduction measures	Green service Low-carbon environmental protection

### 4.2 Prudent Operation

Anhui Expressway always adheres to the corporate culture of honesty and trustworthiness, strictly abides by relevant laws and regulations, and effectively protects the rights and interests of investors. The Company operates prudently in accordance with the law, and deeply integrates party construction with enterprise operation to provide political guarantees for the Company's development. By strengthening clean governance construction, standardizing the behavior of employees, strictly reviewing information compliance disclosure, and improving the operating system, the Company has established a solid foundation for stable and long-term development.

## CONSOLIDATING A ROAD FOR SUPPORTING OUR OPERATION (Continued)

### 4.2.1 Adhering to clean governance construction

The Company formulated the “Measures for the Implementation of Accountability for Illegal Operation and Investment (Trial)” (《違規經營投資責任追究實施辦法試行》) and the “Measures for the Administration of Integrity Archives of Headquarters Managers” (《本部主管級管理人員廉政檔案管理辦法》) in strict accordance with the requirements of the “Company Law of the PRC” (《中華人民共和國公司法》), “Governance Guidelines for Listed Companies” (《上市公司治理準則》), the “Law of the People’s Republic of China on Supervision” (《中華人民共和國監察法》), the “Regulations of the Communist Party of China on Disciplinary Action” (《中國共產黨紀律處分條例》) and other rules and systems, in order to improve the corporate governance structure, strengthen internal management, and standardize the professional behavior of all staff. In 2021, the party members and cadres of the Company and its directly affiliated units had been strictly abiding by the relevant laws and regulations and the Company’s system, and had not been punished by party discipline.

#### Case:

Anhui Expressway compiled and printed the “Guidelines for Practice of Integrity of Toll Collection Stations”(《收費站廉潔從業指引》)

In 2021, the Company compiled and printed the “Guidelines for Practice of Integrity of Toll Collection Stations”(《收費站廉潔從業指引》), which covered the list of “micro-rights” and prevention and control measures of toll stations, and added six disciplinary negative lists to provide a guiding basis for the practice of integrity of toll stations. The party organizations of all operation and management units of the Company gave full play to the main responsibility of comprehensively and strictly governing the party, strictly abided by the integrity system, strengthened the restriction and supervision of the operation of power in accordance with the “Guidelines for Practice of Integrity of Toll Collection Stations”(《收費站廉潔從業指引》), so as to cultivate the fertile soil, pour the rain and dew and welcome the bloom of integrity, as well as promote its high-quality development during the “14th Five-Year” period, and make due contributions to speeding up the construction of a new stage of modern and beautiful Anhui.

In daily management, the Company adheres to the integration of daily education and the construction of incorruptible culture, integrates the construction of system and mechanism of “three don’ts (三不)”, being that dare not corrupt, cannot corrupt, and do not want to corrupt (“不敢腐、不能腐、不想腐”), so as to achieve precise warning education, precise risk prevention and control, and refined daily supervision. The Company actively carried out the incorruptible culture construction, compiled and

## CONSOLIDATING A ROAD FOR SUPPORTING OUR OPERATION (Continued)

distributed more than 2,000 volumes of “Guidelines for Practice of Integrity of Toll Stations” (《收費站廉潔從業指引》), promoted 25 works to participate in the selection of the “Anhui Incorruptible Culture Excellent Project” (安徽廉潔文化精品工程), and 7 works were selected to the theme photography exhibition of “Celebrate the New Journey to Progress of Party Congress” (喜迎黨代會奮進新徵程) which was held by the provincial Commission for Discipline Inspection and Supervision; the Company sorted out and summarized the “List of Integrity Risk Points and Prevention and Control Measures of Anhui Expressway and Business Sectors” (《皖通公司和營運板塊廉潔風險點及防控措施一覽表》), to improve the risk prevention and control mechanism of integrity, and escort the Company’s harmonious, stable and sustainable development. In 2021, two batches of field teaching activities for warning education were carried out successively by the Company, and the number of participants from the Company and its directly affiliated units was up to 48; a one-week discipline inspection cadre training was organized, and the number of participants from the Company and its directly affiliated units was up to 33, including 2 leaders of the Company.

### Case:

#### Disciplinary Inspection Cadre Training of Anhui Expressway in 2021

In October 2021, the Company’s Disciplinary Committee held a training course for discipline inspection cadres in Hefei. More than 30 discipline inspection members from the Company and its directly affiliated units participated in the training. The training invited a number of experts and professors to guide and give lectures, the content of which covered the incorruptible party class report of “Standing to the Bottom Line, is a person” (《堅守底線·踏實做人》), the special counseling of “Practice of Handling Problems and Clues” (《問題線索處置工作實務》), and the special report of “Current Situation and Governance of Construction of Party conduct and clean government and the Struggle against Corruption” (《當前黨風廉政建設和反腐敗鬥爭形勢及治理》), among others. During the training period, the Company organized an exchange seminar for leaders in charge of discipline inspection of the operating units, and organized training cadres to go to the provincial party conduct and clean government education hall for warning education. Through systematic theoretical education, targeted classroom discussions and lively field teaching, such training enabled participants to fully understand the importance of clean governance construction for learning to think and earn.



## CONSOLIDATING A ROAD FOR SUPPORTING OUR OPERATION (Continued)

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The Company continuously monitored and prevents corruption risks and eliminates the occurrence of corruption through perfect clue handling for problems and case investigation procedures. The Company set up procedures for complaint reporting and investigation to prevent corruption. Informants can report problems through telephone, e-mail and special suggestion box. The relevant departments of the Company deal with and respond to the clues for problems received in a timely manner in accordance with the supervision and discipline work process. In order to fully protect informants' information security, the Company strictly implemented the "Administrative Measures for the Confidentiality of Disciplinary Inspection Organizations" (《紀檢機構保密工作管理辦法》) and other systems, and strictly forbade the disclosure of information of and evidence provided by the parties, and provided a strong guarantee for informants' privacy and security.

### **4.2.2 Strengthening information disclosure**

Anhui Expressway attaches great importance to the disclosure of information compliance, resolutely safeguards the right to know the information of the Company's internal and external stakeholders, strictly abides by the information disclosure requirements, and ensures the timely and transparent disclosure of the Company's information.

In 2021, the Company continuously improved the quality of information disclosure, and strictly reviewed the information for disclosure, completed 4 regular reports and 45 A share interim announcements and 39 H share interim announcements and relevant information disclosure, in accordance with the "Administrative Measures for Information Disclosure of Listed Companies" (《上市公司資訊披露管理辦法》). The Company publicized toll collection information to the public through its official website and toll collection bulletin board, so as to protect the right to know the information of the drivers and passengers and stakeholders in accordance with relevant laws and regulations.

## CONSOLIDATING A ROAD FOR SUPPORTING OUR OPERATION (Continued)

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In accordance with the “Company Law of the People’s Republic of China” (《中華人民共和國公司法》), the “Working Guidance for the Listed Companies and Investor Relations” (《上市公司與投資者關係工作指引》) and other relevant laws and regulations, the Company formulated the “Management Measures on Investor Relations” (《投資者關係管理辦法》) and the “Administrative System of Proceeds” (《募集資金管理制度》) to protect the legitimate rights and interests of investors, and safeguard a long-term trust relationship between investors and the Company. Based on the principles of full disclosure, compliance disclosure, equal treatment, high efficiency and low consumption, honesty and trustworthiness, the Company maintained close communication with investors through the Company’s website, “e interactive” platform, enterprise mailbox, hotline, etc., and actively responded to the expectations and demands of various stakeholders.

In 2021, the Company carried out three roadshows, accepted one on-the-spot surveys by institutional investors and 10 telephone surveys; answered 75 questions from small and medium-sized investors through the “e-interactive” platform, and 12 questions from investors via enterprise mailbox.

### 4.3 Win-Win Cooperation

Anhui Expressway regarded suppliers as its important partners. The Company built a complete supply chain, regulates procurement behavior, actively carried out cooperation projects with colleges and universities, and was committed to working with suppliers to create a mutually beneficial and win-win business environment.

The Company attached great importance to the control of the entire process of the supply chain, and in accordance with the “Law of the People’s Republic of China on Bidding and Tendering” (《中華人民共和國招標投標法》), the “Method of Implementation of the Law of the People’s Republic of China on Bidding and Tendering” in Anhui Province (《安徽省實施〈中華人民共和國招標投標法〉辦法》) and other relevant laws and regulations, formulated the “Bidding and Tendering Management System” (《招投標管理制度》) of the Company and established the procurement management system to strengthen the management of suppliers, standardize the bidding process, ensuring the healthy, orderly and efficient operation of procurement.

## CONSOLIDATING A ROAD FOR SUPPORTING OUR OPERATION (Continued)

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Table: Suppliers Management of Anhui Expressway

The Company set up a complete supplier selection and evaluation system to carry out the assessment and evaluation of suppliers every year on a regular basis, so as to screen enterprises with excellent qualifications, results and performance, and strengthen the regulation of maintenance market behavior and the dynamically manage the procurement of suppliers.

In accordance with the "Bidding and Tendering Management System" (《招投標管理制度》) and the relevant systems, the Company established a procurement working group and a review team to carry out public bidding. During the procurement process, the Company signed an "Integrity Agreement" (《廉潔協議》) with the procurement supplier and established a procurement ledger for auditing, so as to standardize procurement behavior, and strictly abide by the regulations of various integrity and confidentiality systems.

The Company attaches great importance to the standardization of procurement behavior, vigorously promotes electronic bidding, promoted green and low-carbon and controls procurement behaviors with information technology. In 2021, the Company fully applied the bidding and procurement platform to realize the whole process of electronic bidding and procurement, and gradually promoted the whole process of electronic non-bidding procurement, used information technology to improve the transparency and efficiency of bidding, established a complaint and report management system, so as to eliminate the fraud conducts during the procurement process.

Anhui Expressway actively carried out special cooperation projects with high-tech industries or colleges and universities to jointly explore new directions for sustainable development. In 2021, the Company entered into a strategic cooperation agreement with the Institute of Advanced Technology, University of Science and Technology of China, which planned to jointly promote the R&D and application of achievements in industries within 5–10 years, including but not limited to command transportation, big data, and artificial intelligence, and promote the ecological construction of office park where the Company is located, as well as build a high-level transportation industry base and R&D application base.

## BUILDING SAFE AND QUALITY ROADS

### 5 BUILDING SAFE AND QUALITY ROADS

Safe work is the premise and foundation of all work. By following the principle of “safety must be managed while managing production and operation and business” (管生產經營必須管安全、管業務必須管安全), the Company implemented the safety production responsibility system of “the Party and the government sharing the same responsibility, one position with dual responsibilities, and joint control and management” (黨政同責、一崗雙責、齊抓共管、失職追責), and clarified the main responsibility for safety production. The Company strengthened road maintenance and operation safety management, vigorously conducted the investigation and management of hidden dangers, regularly carried out the safety improvement of maintenance road, and built a safe and stable road for people’s livelihood with many parties through the use of standardized, systematic and informative management and regular safety training.

#### 5.1 Safety Management

Anhui Expressway firmly established the concept of safe development, promoted the idea of “life first, safety first” (生命至上，安全第一), and formulated the “Interim Measures for the Safety Production Management of Anhui Expressway” (《皖通公司安全生產管理暫行辦法》), according to the “Production Safety Law of the People’s Republic of China” (《中華人民共和國安全生產法》), the “Road Traffic Safety Law of the People’s Republic of China” (《中華人民共和國道路交通安全法》), and the “Emergency Handling Law of the People’s Republic of China” (《中華人民共和國突發事件應對法》), and revised the six rules and regulations in 2021, including but not limited to the “Interim Measures for the of Hidden Dangers Investigation and Management of Production Safety Accidents of Anhui Expressway” (皖通公司生產安全事故隱患排查治理暫行辦法) and the “Interim Measures for the Management of Road Production of Anhui Expressway” (《皖通公司路產管理暫行辦法》), so as to improve management efficiency through systems and norms and ensure road operation safety.

##### 5.1.1 Clarifying security responsibilities

The Company further strengthened and ensured the implementation of safety management responsibilities through the safety production responsibility letter. The Company signed safety production responsibility letters with various departments and management units to implement the safety responsibility of the first responsible person; held safety production meetings in the form of quarterly work reports to summarize the progress of safety work and deploy the key points and difficulties of the next work stage; conducted a comprehensive assessment of the safety production control indicators every year, ensuring the implementation of responsibilities with the reference to the work responsibilities of the relevant responsible persons and the Company’s quantitative assessment standards.



## BUILDING SAFE AND QUALITY ROADS (Continued)

### 5 BUILDING SAFE AND QUALITY ROADS (Continued)

#### 5.1 Safety Management (Continued)

##### 5.1.1 Clarifying security responsibilities (Continued)

Table: the Structure and Personnel Responsibilities of Safety Production Committee

Management Structure	Personnel and Main Responsibilities
<b>Safety Production Committee</b>	<ul style="list-style-type: none"> <li>The main leaders of the Company serve as the director and deputy director of the Safety Production Committee, and the principals of various departments and management units serve as members of the Safety Production Committee</li> <li>Main responsibilities: overall planning, supervision and coordination of the Company's safety production work</li> </ul>
<b>Safety Production Committee Office</b>	<ul style="list-style-type: none"> <li>The person in charge of the Company's operation and service department (safety management department) serves as the office director</li> <li>Main responsibilities: to coordinate the daily work of the Company's Safety Production Committee to ensure that safety management is in place</li> </ul>

In addition, the Company set up various special working groups such as the emergency management leading group, the severe weather and spring festival transport work leading group, and the epidemic prevention and control work headquarters. Based on the actual situation, the Company revised specific management plans in due time, and actively responded to safety risks under various special circumstances, in order to effectively ensure the safety of the people's travel.

## BUILDING SAFE AND QUALITY ROADS (Continued)

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### 5 BUILDING SAFE AND QUALITY ROADS (Continued)

#### 5.1 Safety Management (Continued)

##### 5.1.2 Security capacity building

The Company actively carried out the safety culture construction, and revised and published the “Interim Measures for Safety Production Education and Training” (《安全生產教育培訓暫行辦法》) in 2021 to implement safety production training for various positions. The Company and each management office actively created a working atmosphere of “safety first for everything and each member”, and through activities such as knowledge competitions, safety education and training, daily drills, etc., continuously improved the safety awareness of employees and their abilities to deal with potential safety hazards. In September 2021, the Hefei Management Office and the Gaojie Management Office successfully passed the re-examination of the “National Demonstration Enterprise of Safety Culture Construction in 2020” in the National Safety Culture Construction Demonstration Enterprise Experience Exchange Meeting. In June 2021, “A Preliminary Probe into the Construction Process of Safety Culture Based on the Gaojie Management Office” (《基於高界處安全文化建設過程初探》) produced by the Gaojie Management Office won the first prize of the “Second Enterprise Safety Culture Excellent Paper Collection Activity” (第二屆企業安全文化優秀論文徵集活動).

The Company conscientiously implemented the “three-level”(三級) safety education and training mechanism, and conducted various safety education and training based on different personnel training requirements to ensure that employees mastered the safe operation skills of their positions, and enhanced their ability to prevent accidents, control occupational hazards and respond to emergencies. All employees of the Company must receive safety production training suitable for their positions before they can work on the job. The Company stipulated in detail the number of hours of safety training that different personnel must receive to ensure that employees continued to improve their own safety capabilities and reduce the possibility of safety accidents and risks: all employees of the Company must receive corresponding safety production training for their positions before they can be allowed to work formally; as for new employees, the Company provided no less than 24 hours of pre-job safety training (special operation personnel should conduct separate management by referring to relevant national requirements); the main responsible persons and safety production management personnel of each unit should receive initial safety training for no less than 32 hours, and the annual retraining for not less than 12 hours.

## BUILDING SAFE AND QUALITY ROADS (Continued)

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### 5 BUILDING SAFE AND QUALITY ROADS (Continued)

#### 5.1 Safety Management (Continued)

##### *5.1.2 Security capacity building (Continued)*

The Company actively carried out the safety culture construction, and strengthened the safety capabilities of employees through various activities such as “Ankang Cup” (安康杯), “Promotion Week for the Law on Safety Production” (安全生產法宣傳周), “Safety Production Month” (安全生產月), etc. The Company regularly purchased and distributed safety knowledge pocket books, promoted the “National Safety Education and Emergency Science Platform”, conducted online and offline safety education and learning activities simultaneously, held “Ankang Cup” and other safety production training assessments and knowledge competitions, and organized practice drills for emergency rescue, ensuring that all employees had a deep understanding of safety and conduct compliance operations, in order to reduce potential safety hazards, improve the ability to deal with natural disasters, emergencies and smooth traffic, and ensure occupational health and safety. In 2021, the Company had no employee involved with fatality accident.

In 2021, the Company carried out “Safety Production Month” activities in the headquarters and all management units around the theme of “implementing safety responsibilities and promoting safe development” (落實安全責任·推動安全發展). The Company organized special learning and education on safety, special actions to prevent major risks in safety production, special rectification of safety production, improvement of safety awareness and emergency response capabilities, and safety publicity and consultation day activities on “6·16”. The Company and various management units have carried out 7 flood control emergency drills, 14 fire emergency drills, and 10 road emergency response drills, and organized a total of more than 50 safety production activities such as “big lecture” (大講堂), “mini class” (微課堂) and “safety red armband” (安全紅袖章). More than 2,400 employees participated in such activities.

## BUILDING SAFE AND QUALITY ROADS (Continued)

### 5 BUILDING SAFE AND QUALITY ROADS (Continued)

#### 5.1 Safety Management (Continued)

##### 5.1.2 Security capacity building (Continued)



Photo: “Safety Production Month” Emergency Drill

#### 5.2 Road Safety

Anhui Expressway knew that road safety was the foundation of safe operation. The Company continued to increase investment in road traffic safety facilities, encouraged innovation in safety technology, and enhanced road safety traffic capability through timely and effective inspection of potential safety hazards, rectification of hidden dangers in place, and the supervision and performance of relevant personnel.

##### 5.2.1 Investment in traffic safety facilities

In accordance with the “Product Quality Law of the People’s Republic of China” (《中華人民共和國產品品質法》), the “Technical State Assessment Standards for Highways” (《公路技術狀況評定標準》), “Regulations of Anhui Province on Safety Production” (《安徽省安全生產條例》) and other laws, regulations and industry standards, the Company revised and published the maintenance rules including the “Measures for Highway Bridge Maintenance” (《高速公路養護管理辦法》) and the “Administrative Measures for Highway Maintenance Engineering” (《高速公路橋樑養護管理辦法》) in 2021, to increase investment in road equipment and facilities, and effectively improve the road safety index.



## BUILDING SAFE AND QUALITY ROADS (Continued)

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### 5 BUILDING SAFE AND QUALITY ROADS (Continued)

#### 5.2 Road Safety (Continued)

##### 5.2.1 Investment in traffic safety facilities (Continued)

The Company conducted in-depth research on road characteristics, attached great importance to the quality of the pavement, and carried out road maintenance work in a targeted manner. We ensured road quality and traffic safety in an all-round way by purchasing safety prevention facilities and updating the safety warning information release system. In addition, the Company continued to invest in and implement preventive maintenance by increasing the R&D of preventive pavement maintenance technologies such as new thin-layer overlays. With reference to the “14th Five-Year Plan for Maintenance and Development of Anhui Transportation Holding Group Co., Ltd” (《安徽省交控集團“十四五”養護發展規劃》), the Company planned to increase investment in facilities and equipment within five years, so that the Maintenance Quality Indicator (MQI) of the excellent roads would be more than 95%, the Pavement Quality Index (PQI) would be greater than 93, and the excellent road rate would reach the overall development goal of 92%.

In 2021, the Company continually deepened the implementation of the notices such as the “Technical Guidelines for Special Actions to Enhance the Safety Protection Capacities of Highways and Bridges” (《提升公路橋樑安全防護能力專項行動技術指南》) issued by the Ministry of Transport, and continued to carry out the project of improving traffic safety facilities. The Company strengthened the safety warning of bad weather by adding fog area guidance systems, solar fog-proof lights and other safety facilities in special sections with heavy fog, curves and ramps; sorted out the accident-prone sections in the past three years, and upgraded safety tips in a targeted manner and optimized service equipment in these road sections. The Company's investment in maintenance costs increased by 28.96%, and the average Pavement Quality Index (PQI) increased to 95.29%; more than 87 kilometers of road sections were applied with preventive maintenance technologies including micro-surface, fine slide-resistant, and thin-layer overlay. The average annual mileage of preventive maintenance accounted for more than 14.63%, and the overall performance was excellent.

## BUILDING SAFE AND QUALITY ROADS (Continued)

### 5 BUILDING SAFE AND QUALITY ROADS (Continued)

#### 5.2 Road Safety (Continued)

##### 5.2.2 Investigation of safety hazards

The Company attached great importance to the safety hazards investigation and risk prevention and control, and conducted daily maintenance inspection at least once a day. In 2021, the Company revised and issued the “Interim Measures for Hidden Dangers Investigation and Management of Production Safety Accidents” (《生產安全事故隱患排查治理暫行辦法》) to clarify the responsibilities of each management unit for specific matters such as the investigation, prevention and control, rectification and reporting of hidden dangers of safety accidents. The Company conducted monthly regular inspections, annual regular inspections, emergency inspections and special inspections for pavements, bridge culverts, tunnels and traffic safety facilities. The Company used rewards and punishments to encourage the reporting of hidden dangers to reduce the possibility of occurrence of security risks. If safety hazards are found, the relevant personnel of the Company and each management office will fill in the registration ledger, issue a rectification notice for hidden dangers, and carry out post-acceptance evaluation after the rectification is completed.

The Company reviewed road-related engineering projects by level, and evaluated the potential safety impact of the project on operational safety based on the degree of impact of the project on expressway operation. For production and operation projects, sites and equipment and other engineering projects of different equipment, the Company ensured that the management unit signed a safety production management agreement with the contractor or lessee to clarify the responsibilities of each party.

For major safety hazards, the Company regularly organized professional and technical personnel and institutions to conduct risk assessment, analysis and identification, and issue a “Major Accident Hazard Investigation Report Form” from the aspect of the current situation, cause, degree of harm and difficulty of rectification, urging relevant parties to implement the rectification.



Photo: The Company's investigation and management process of hidden danger

## BUILDING SAFE AND QUALITY ROADS (Continued)

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### 5 BUILDING SAFE AND QUALITY ROADS (Continued)

#### 5.2 Road Safety (Continued)

##### *5.2.2 Investigation of safety hazards (Continued)*

In 2021, the Company carried out safety hazards investigation and anti-overturning calculation of bridge and evaluation for the bridges in the road sections under its jurisdiction. We carried out safety hazards investigations on many bridges in service, and re-checked the anti-overturning calculation and evaluation results of bridge based on data such as bridge operation safety and past bridge safety accidents. After problems were discovered, the Company actively inspected, strengthened and added active anti-collision warnings to improve the safety of roads and bridges. In December 2021, the special research team of the Ministry of Transport spoke highly of the Company's achievements and accumulated experience and practices in the special promotion of bridge operation safety.



Photo: Bridge Safety Hazards Investigation Work

## BUILDING SAFE AND QUALITY ROADS (Continued)

### 5 BUILDING SAFE AND QUALITY ROADS (Continued)

#### 5.2 Road Safety (Continued)

##### 5.2.3 Safety technology innovation

The Company vigorously promoted road safety technology innovation, encouraged employees to independently develop and innovate, and summarized the experience from handling various maintenance key and difficult problems in rich practice, so as to reduce the probability of safety risks through technological breakthroughs. In 2021, the Company set up an internal project team to carry out research on safety innovations, and complete a number of safety technology innovation projects such as intelligent inspection of road conditions and shape identification of high-pier bridges, as well as promote project experience and help the improvement of road safety standards.

##### Case:

##### The Gaojie Management Office Carried Out a R&D Project on Shape Identification of High-Pier Bridge

Due to the complex geological conditions of some high-speed pavements, there are many types of curved bridges, high piers and abutments. Therefore, the accurate assessment of the bridge shape is the basic work to ensure the operation safety of special road sections, and also the key and difficult point in maintenance work. In 2021, the Company actively explored the technical research and development of high-pier bridge shape identification, and completed the scientific and technological project titled "Identification and Evaluation of High-pier Bridge Geometric Shape Based on Laser Scanning Technology" (《基於鐳射掃描技術的高墩橋樑幾何形態識別與評估研究》). Using this technology, the Company successfully realized the accurate identification and efficient evaluation of bridge spatial form, which was of great significance to ensure the safety of bridge structure and operation, and also provided important support for the revision of relevant standards and specifications in China, and the resultant research results had reached the international leading level.



## BUILDING SAFE AND QUALITY ROADS (Continued)

### 5 BUILDING SAFE AND QUALITY ROADS (Continued)

#### 5.2 Road Safety (Continued)

##### 5.2.3 Safety technology innovation (Continued)

###### Case:

Employees of Chuzhou Management Office Technically Independently Developed Pavement Design

In 2021, a road safety anti-theft connection mechanism independently developed by the employees of Chuzhou Management Office effectively solved the safety hazards caused by the loss of nuts and bolts of traffic safety facilities, and obtained a national patent. After the completion of research and development of this technology, replacement and installation were carried out in places where nuts and bolts of traffic safety facilities were easily lost along the Chuhuai Expressway. Compared with the original nuts, this anti-theft connecting mechanism has obvious advantages in preventing falling off and anti-theft. After such renovation, there was no theft phenomenon, achieving the expected effect.



Photo: Utility model patent certificate for a road safety anti-theft connection mechanism

## BUILDING SAFE AND QUALITY ROADS (Continued)

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### 5 BUILDING SAFE AND QUALITY ROADS (Continued)

#### 5.3 Operation Safety

The Company strictly abides by the requirements of the “Highway Operation Safety Management Standard” (《公路營運安全管理規範》), the “Implementation Guidance on the Highway Operation Safety Management Standard” (《公路營運安全管理規範實施指南》) and other systems and norms, revised six management systems such as the “Interim Measures for Safety Management” (《安全管理暫行辦法》) in 2021, cooperated with several parties to strictly implement the operation safety management of roads, strengthened the publicity of safety awareness among car drivers, enhanced the safety emergency management capability of the Company and improved the road safety indicators.

##### 5.3.1 Road safety and control

The Company has been well aware that the road safety and control needs the cooperation of several parties. Through the establishment of the normalized cooperation mechanism of “Tripartite Dispatch System for One Road (一路三方)”, the Company cooperates with the competent traffic police and highway administrative departments to carry out the traffic safety improvement activity so as to lay a passage foundation for safe roads. The Company has strengthened the road control through strict checks and control, regular surveillance, facility and equipment upgrading and maintenance, road safety training and other methods to reduce the possibility of occurrence of various road-related ridden problems.

- **Strict checks and control:** The weighing test is carried out for freight vehicles at the entrance of an expressway, and the regulations of “obligatory inspection of freight vehicles and prohibited entry beyond the limits” are strictly implemented. Linkage management is carried out in the system, and relevant detection data of the card issuing system at the entrance of a toll station are uploaded.

## BUILDING SAFE AND QUALITY ROADS (Continued)

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### 5 BUILDING SAFE AND QUALITY ROADS (Continued)

#### 5.3 Operation Safety (Continued)

##### *5.3.1 Road safety and control (Continued)*

- **Regular surveillance:** We cooperate with traffic police and other departments to rectify unsafe behaviors such as pedestrians crossing expressways and passengers getting on and off illegally on expressways; standardize the layout of the construction sites, carry out regular inspection for the construction sites to ensure the safety of the road-related construction sites, and conduct repeated investigation irregularly with traffic police and road administration departments; strengthen the inspection of key sections, construction sections, sections near water, steep slopes and other key dangerous sections; ensure that the hazardous chemical transport vehicle entry and exit guidance, parking management and registration record management are implemented in all service areas.
- **Facility and equipment upgrading and maintenance:** In accordance with the requirements of the Company, we regularly sort out the hidden danger points of driving safety spotted in the process of road inspection and maintenance, and deploy personnel and materials according to the actual needs to upgrade and maintain the facilities and equipment and roads.
- **Road safety training:** The management office has been organized to learn the "Highway Operation Safety Standard" (《公路營運安全規範》) and other systems, and industry experts have been invited to carry out special trainings on typical hidden dangers of highway operation safety. Through in-depth understanding of typical accident cases, the ability of the staff of each management office to implement road safety control work has been improved.

##### *5.3.2 Enhance the awareness of car drivers and passengers*

It is an important part of road safety management to improve accident prevention consciousness of car drivers and passengers. The Company has cooperated with traffic police and other departments to distribute traffic safety publicity materials to villages and units along expressways, and strengthened the publicity and coverage of traffic safety warning education activities.

BUILDING SAFE AND QUALITY ROADS (Continued)

5 BUILDING SAFE AND QUALITY ROADS (Continued)

5.3 Operation Safety (Continued)

5.3.2 Enhance the awareness of car drivers and passengers (Continued)

In 2021, the Company organized various units to carry out publicity activities in toll crossings and other areas during the “10.13 International Day for Disaster Reduction” and the “11.9 National Fire Protection Day”. The Company set up a convenient service desk, and cooperated with expressway traffic police and regional road administration departments to carry out joint publicity. The Company organized the “Five-Visit” activities to promote safety in enterprises, rural areas, communities, schools and families, to improve the skills of disaster reduction, disaster prevention, fire self-rescue and mutual rescue, and to improve the safety capacity construction of car drivers.

**Case:** Safety Production Publicity Information Desk of the Hefei Management Office

During the “National Safety Production Month” period in 2021, the Hefei Management Office set up publicity information desks in Jinzhai Road Station, Feidong Station, Nanfeihe Road Station, Longtang Station and other places, disseminated safety manual, page flyers and other materials to car drivers and passengers for them to learn highway safety production laws and regulations, and interpreted the expressway traffic safety knowledge and emergency response regulations in detail. This activity attracted many drivers and passengers with proactive involvement and effectively enhanced the safety awareness of road drivers.



Photo: The “Safety Production Month” Publicity Information Desk of the Hefei Management Office



## BUILDING SAFE AND QUALITY ROADS (Continued)

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### 5 BUILDING SAFE AND QUALITY ROADS (Continued)

#### 5.3 Operation Safety (Continued)

##### *5.3.3 Safety emergency management*

In order to deal with various emergency safety problems, the Company has strengthened the construction of the capability to dealing with and responding to various emergency safety situations. During the important events, the Company's special surveillance and emergency rescue teams are always on standby. In the case of emergencies such as holidays, rainy, snowy, freezing and pandemic periods, the Company requires all management offices to deploy personnel and materials in advance and ensure the deployment of forces as soon as possible after receiving relevant warnings. In 2021, the Company cooperated with Anhui Provincial Traffic Law Enforcement Bureau and the provincial traffic police department to jointly carry out quarterly safety assessment for road reconstruction and expansion, so as to continuously improve the road safety levels.

## GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD

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### 6 GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD

With the improvement of people's living standards, the company realized that the increasing flow of expressways has put forward higher requirements for our road maintenance capacity. The Company pursues the goal of building an "unimpeded, safe, comfortable, beautiful" road environment, adheres to excellent road operating standards to ensure that the public can have access to an unimpeded, safe, comfortable and beautiful driving environment, so as to meet the people's expectations and contribute to the rapid development both nationally and locally.

#### 6.1 Efficient Traffic

In accordance with the relevant management requirements of the "Twelve Provisions for Smooth Traffic on Expressways in Anhui Province" (《安徽省高速公路保通保暢十二條》) issued by the Transport Department of Anhui Province, the Company has adopted a mechanism of leadership segmentation, dividing and contracting by sections, and linking tripartite to carry out the deployment and emergency response for peak traffic around key sections, key time intervals and key nodes. Under the principle of "One Plan for One Station" (一站一方案) set out in the "Twelve Provisions for Smooth Traffic on Expressways in Anhui Province" (《安徽省高速公路保通保暢十二條》), all administration offices have studied their own peak traffic response resolutions and formulated emergency response plans confronting to their own situations under the unified leadership of the Company, whereby guaranteeing the maximum traffic capacity and the highest traffic efficiency of highways and providing smooth travel conditions for the public.

##### 6.1.1 Ensuring a smooth road

The Company has effectively ensured smooth road access through diversified means. On the one hand, in our daily inspection, we use "machines as major tools and labor force as a supplementary method" to trim the side greening that affects the driving distance of the whole road, blocks signs and signboards, and intrudes into the road boundary, so as to ensure the effect of having no miscellaneous trees and weeds in the driving sight. On the other hand, all operating units have strengthened the daily communication mechanism with local governments, traffic police and road administration departments, implemented a multi-party linkage and efficient cooperation scheme for road traffic convenience, and formed an emergency linkage mechanism to quickly respond to emergencies, release notices in a timely manner, and alleviate road congestion.

GUARANTEEING AN UNIMPEDED  
AND COMFORTABLE ROAD (Continued)

6 GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD  
(Continued)

6.1 Efficient Traffic (Continued)

6.1.1 Ensuring a smooth road (Continued)

Table: Anhui Expressway's Multi-party Linkage Measures for Ensuring a Smooth Traffic

Routine road monitoring	<ul style="list-style-type: none"><li>Regular monitoring will be carried out on the road sections under our jurisdiction</li><li>Once it is found that there is a surge in traffic, slow traffic and backlog of vehicles, we will immediately notify the traffic police, road administration and management department of the relevant departments</li></ul>
Emergency equipment support	<ul style="list-style-type: none"><li>We are equipped with emergency supplies and equipment every day, including toll invoices, CPC cards, paper passes and mobile toll terminals, and all operation management units strengthen daily maintenance according to the needs</li></ul>
Timely information disclosure	<ul style="list-style-type: none"><li>We will coordinate with relevant departments in traffic control and diversion, if necessary</li><li>The monitoring center will release the relevant information of slowing down and slow driving at the first time, and remind the driving vehicles to prepare for diversion in advance</li></ul>

## GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

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### 6 GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

#### 6.1 Efficient Traffic (Continued)

##### 6.1.1 Ensuring a smooth road (Continued)

###### Road expansion

- We will count up the frequency of congestion and other information of each section and analyze the cause of the problem

###### Entrance disposal measures

- According to the actual traffic flow at the entrance, if necessary, we will open all entrance channels, and at the same time enable emergency charging equipment, issue CPC cards or assist ETC vehicles to pass quickly
- In case the entrance system is out of service, a paper pass will be issued

###### Exit disposal measures

- According to the actual traffic flow at the entrance, if necessary, we will open all entrance channels, use emergency charging equipment, and adopt double charging and other ways to quickly release vehicles
- In case of the failure of the exit system, we will maintain the traffic order of the toll site and use the “emergency simplification mode” for toll collection
- When there is a toll collection station being seriously blocked, hit, smashed or impacted or other emergency situations, a free release will be granted after the approval of the superior department according to the actual situation



## GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

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## 6 GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

### 6.1 Efficient Traffic (Continued)

#### 6.1.2 Road information construction

In active response to the national call for construction of “green roads”, the Company continuously promoted the construction of the expressway networked electronic toll collection (ETC) system, accelerated the construction of the “two systems” (the video monitoring and management system and the bad weather conditions monitoring and early warning system), and improved level of digital, intelligent and green information construction levels of roads.

In 2021, in accordance with the latest requirements of the Ministry of Transport and Anhui Transportation Holding Group on ETC service, the Company optimized the “Management Chain” of ETC service, incorporated the ETC service standard into the service specification, improved the ETC lane management system, and upgraded the ETC lane toll collection mode to free flow toll collection to effectively improve road access efficiency. The Company has organically combined intellectual property innovation with ETC project practice. Xuancheng East Toll Station has launched Anhui’s first set of automatic identification intelligent self-service card issuing system, and several intelligent transportation and ETC projects are advancing steadily.

In 2021, the total number of ETC users across Anhui Province exceeded 8,646,600, and the ETC penetration rate was approximately 69%, ranking top nationwide. Up to December 2021, the provincial ETC intelligent parking cloud platform had been preliminarily built, and the issuing service points had been set up at all toll collection stations of the Company, forming the ETC issuing service pattern of the entire road network within province.

## GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

### 6 GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

#### 6.1 Efficient Traffic (Continued)

##### 6.1.2 Road information construction (Continued)

###### Case:

###### Remarkable Results Achieved in the Special ETC Service Improvement Action of the Company

In 2021, in order to further optimize the ETC service capacity, the Company upgraded the functions of the ETC service points of all toll collection stations directly affiliated to the Company by strengthening technical support; organized the customer service center and each operating unit to carry out eight special trainings, summarized past service experience, and promoted the quality and efficiency of ETC service.



Photo: ETC Service Improvement Seminar of Xuanguang Company

#### 6.2 Traffic Contingency Response

The Company maximizes its efforts to carry out the traffic contingency response work by adhering to the guideline of “quick response, fast coordination and proper handling”. The Company has built and continuously improved its emergency warning system, and concluded the regulation rules concerning traffic access during festivals and holidays, bad and extreme weather, road accidents, etc., so as to ensure that in the event of emergency accidents, the Company can start the emergency work immediately, carry out the rescue and obstacle removing process, make arrangement in advance and ensure the fast handling of emergencies.

## GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

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## 6 GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

### 6.2 Traffic Contingency Response (Continued)

#### 6.2.1 Traffic contingency response mechanism

The Company deepens the joint involvement and linkage of “Multi-parties for One Road”, strengthens communication and coordination with, among others, traffic police, road administration and emergency response units and ensures the coordinated linkage of emergency traffic convenience through regular consultation mechanism. The Company has strengthened the management of construction sections and other sections with potential risks, strengthened road inspection, and used its best efforts to improve the smooth traffic capacity of roadways. Operating units and management offices formulate and improve emergency toll collection plans under the principle of “One Plan for One Station” to ensure the rapid and efficient handling of emergencies. In addition, the Company has strengthened the management and control of key sections and during festivals and holidays, bad weather and other key periods, enhanced the dynamic monitoring of road network operation, guided all toll collection stations to prepare for traffic peak in advance, and improved the efficiency of rescue and emergency response for accidents.

The Company has set up special working groups such as the emergency support and rescue team. According to the traffic flow direction in different sections and hours, it allocates personnel and rescue equipment for removing obstacles. By implementing the operation mode of progressive quick evacuation operation for faulty vehicles at different sections, it ensures smooth roads in various emergencies as much as possible. The Company strictly implements a 24-hour duty system at important time points and is equipped with emergency disposal sites along the important sections. It carries out overall coordination for all obstacle clearance resources and provides flexibly handling and dispatch when necessary under the principle of proximity and quickness to ensure the safety and convenience of roads.

Each administration office has formulated working rules in advance for emergencies, organized relevant trainings for all staff, and performed daily equipment and material inspection to ensure that problems can be solved quickly and efficiently after emergency situations occur. At the same time, each administration office regularly checks the working conditions of each lane, door frame and emergency equipment to reduce emergencies and dangers and relieve the pressure of emergency rescue work.

## GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

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### 6 GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

#### 6.2 Traffic Contingency Response (Continued)

##### 6.2.2 Traffic contingency response drill

The Company cooperates with various parties to carry out regular emergency drills, improve emergency handling ability, enhance the practice level of all staff, and ensure the safety and smooth operation on site. The Company makes plans before each drill, checks the emergency handling level of all parties during the process, and reviews and summarizes experience in time after the drill to ensure that employees can effectively respond to various road emergencies and provide a solid foundation for safe travel.

##### Case:

##### Snow Removing Emergency Management of Ningxuanhang Company

In 2021, Ningxuanhang Company issued a road emergency management plan for extreme weather in order to ensure smooth road passage in winter. In line with the guidance plan, Ningxuanhang Company reasonably arranged emergency supplies at toll collection stations along the line, maintained snow removal equipment and provided snow removal operation training and plan disclosure for operators to fully prepare for the snow season.

## GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

### 6 GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

#### 6.2 Traffic Contingency Response (Continued)

##### 6.2.2 Traffic contingency response drill (Continued)

###### Case:

Snow Removal Joint Emergency Drill of the Hefei Management Office in Winter

In November 2021, the Hefei Management Office cooperated with Hefei Emergency Management Bureau, traffic police units and maintenance units to carry out the 2021 winter snow removal and smooth traffic joint emergency drill. The Hefei Management Office set up the drill content around each link of snow removal and smooth traffic, simulated the response level under different working conditions, set up the drill subjects such as mechanical snow melting agents and artificial snow melting agents, carried out corresponding snow removal operations, and effectively strengthened the practical ability of the management office in extreme weather.



Photo: Snow Removing Joint Emergency Drill of the Hefei Management Office in Winter



## GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

### 6 GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

#### 6.3 High-quality Service

The Company pursues the development concept of “outstanding main business, diversified development channels, efficient operation and management, and significant brand effect” and the smile service concept of “Sincere Smile, Attentive Service” to enhance its customer service standards. The Company promotes the extension of “smile service” to service areas and oil filling stations, optimizes our customer service performance, strictly manages customer privacy data, listens to customers’ demand and conducts timely rectification, effectively protects customers’ rights and interests, and applies intelligence methods to check toll evasion behaviors so as to guarantee the fairness of toll collection.

##### 6.3.1 Improve traffic experience

Anhui Expressway takes green service as the starting point, deepens the construction of the smile service brand, and continues to promote the service quality and efficiency improvement of expressway toll collection windows. In 2021, the Company amended a series of systems, such as the “Interim Measures for Management of Smile Service of Highway Toll Collection Windows” (《公路收費窗口微笑服務管理暫行辦法》), the “Interim Measures for the Assessment of Smile Service of Highway Toll Collection Windows” (《公路收費窗口微笑服務考核暫行辦法》), and the “Smile Service Specifications for Highway Toll Collectors” (《高速公路收費人員微笑服務規範》) to improve the service consciousness of the service personnel at each service sites, further expand service scenarios and extend the smile service from the inside of toll collection booths to the outside of toll collection booths. In 2021, the Company’s management offices continued the honor and smiled for customers at work. Ningxuanhang Company was awarded as “Quality Service Window” in the fourth Most Beautiful Chinese Highway Service Window Selection Activity.



Photo: “Youth Civilization” Toll Collection Station of the Hefei Management Office

## GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

### 6 GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

#### 6.3 High-quality Service (Continued)

##### 6.3.1 Improve traffic experience (Continued)

###### Case:

Special Improvement of Smile Service Work Organized by Ningxuanhang Company

In 2021, during the “smile in four seasons” series promotion activity arranged by the Company, Ningxuanhang Company carried out the service analysis and exchange meeting, the special training on smile service and other activities to promote the smile service normalization, the multi-level management and the stability of service level. There were a total of 262 participants from Ningxuanhang Company in the four training and exchange activities organized by the Company, with the level of smile service continuously improved in the seven on-site assessments.



Photo: Special Improvement of Smile Service Work Organized by Ningxuanhang Company

#### Holiday Service

During holidays, the Company adheres to the principle of providing benefits and convenience for the people, holds the working attitude of “seeking collective and long-term interests by sacrificing personal interest” and remains at the service front-line. The Company implements the concept of quality service, strengthens the monitoring of road network operation, and launches the road safety inspection during major holidays. The Company releases road information via numerous channels in time and provides service for stranded vehicles. On the basis of ensuring the traffic safety of vehicles on highways, the Company ensures smooth roads to provide protection for the social travel. In 2021, Anhui Expressway insisted on maintaining free traffic and 24-hour service, with a total of RMB633 million exempted.

## GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

### 6 GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

#### 6.3 High-quality Service (Continued)

##### 6.3.1 Improve traffic experience (Continued)

##### *Holiday Service (Continued)*

##### **Case:**

##### Personnel of Anhui Expressway at Service Position during Holidays

In October 2021, in order to meet the challenges in the traffic peak during the National Day Holiday, the leading cadres of each operating section of the Company worked at the front-line. The Company coordinated traffic police, road administration and road rescue parties to form an emergency coordination team to timely command and deal with traffic accidents on sections with large flow, minimize congestion and ensure the safety and the smooth operation of the sections under its administration.



Photo: Personnel of Anhui Expressway at Service Position during Holidays

##### *Warm and Convenient Service for the Public*

The Company focuses on the theme of "Wanmei Travel" (皖美出行), improves the convenience service level, and provides warm services for drivers and passengers. The Company has set up convenience reception desks and the "Sweet Post" labels at the crossings of the toll collection stations, offered simple repair tools, drugs for external use, fast food, line consulting and other warm assistance, and carried out the volunteer service activities, such as "Stay at My Position in the Spring Festival", "New Year Blessing", "Warmth in Snowy Days" and "Warm Winter" to carry forward the volunteers' spirits and actively serve the people's livelihood.

## GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

## 6 GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

### 6.3 High-quality Service (Continued)

#### 6.3.1 Improve traffic experience (Continued)

##### *Warm and Convenient Service for the Public (Continued)*



Photo: Volunteer Service Desk of Xuanguang Company

#### 6.3.2 Protecting customers' rights and interests

The Company listens to customer feedback and encourages drivers and passengers to directly complain to the management office of each section of highways to effectively protect customer rights and interests. The Company has set up the service hotline, the portal website and other channels to collect customers' opinions and suggestions on the Company's service quality, road safety and toll standards in accordance with the "Interim Measures for Management of Smile Service of Highway Toll Collection Windows" (《公路收费窗口微笑服务管理暂行办法》). In response to complaints, the Company listens to customers' demands in a timely and effective manner, record, investigate and verify relevant information, and collectively reviewed the complaints to ensure that customers' demands are properly satisfied. In 2021, the Company received a total of four customer complaints, and the complaint closing rate was 100%.



## GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

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### 6 GUARANTEEING AN UNIMPEDED AND COMFORTABLE ROAD (Continued)

#### 6.3 High-quality Service (Continued)

##### *6.3.2 Protecting customers' rights and interests (Continued)*

The Company strictly abides by relevant laws and regulations, standardizes the privacy protection of customer information, has formulated the "Interim Measures for Informationalization of Work Management" (《信息化工作管理暫行辦法》), implements the three-level protection in its internal network, and ensures that the data collected is used only by the relevant internal personnel with authorization in specific scenarios. The Company only records the necessary information of drivers and passengers, such as license plate number and the costs incurred. The use data of ETC on each road section is mainly responsible by Anhui Expressway Networking Operation Co., Ltd. and the use scenarios of such external information are strictly limited. In 2021, the Company had no lawsuits caused by the loss or disclosure of sensitive customer information.

##### *6.3.3 Guaranteeing the fairness of toll collection*

The Company increases investment in science and technology, and makes full use of big data resources to conduct a comprehensive investigation on illegal evasion of expressway tolls to ensure the fairness and justice of toll collection. The Company uses the ministry and provincial toll audit system to regularly update the "collection list" and the lane interception system data, effectively realizing the big data audit of the internet-connected network, and greatly improving the level of intelligent interception of toll-evading vehicles.

In 2021, the Company cooperated with Anhui Transportation Holding Group to complete the correction of card tags for 856 "large vehicles with fake tags", investigated 121,400 vehicles evading toll, recovered more than RMB29,919,300, and cooperated with public security and procuratorial departments to investigate one criminal case of malicious toll evasion. In November 2021, the Road Network Monitoring and Emergency Response Center of the Ministry of Transport (交通運輸部路網監測與應急處置中心) sent a letter to the Department of Transport of Anhui Province, fully affirming and praising the good results achieved by Anhui Expressway in the joint network audit work.



## ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD

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### 7 ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD

Anhui Expressway actively responds to the call of the national “14th Five-Year Plan” for the comprehensive transportation planning, adheres to the ecological priority, actively promotes the sustainable development and environmental protection in the process of project implementation, and discharges the ecological, environmental and social responsibility. The Company deepens the concept of green transportation, vigorously promotes green maintenance and low-carbon office, strengthens the construction of green transportation system through technological innovation, and contributes to the construction of an environmentally friendly society.

#### 7.1 Green Conservation

Anhui Expressway strictly complies with the requirements of the “Environmental Protection Law of the People’s Republic of China” (《中華人民共和國環境保護法》) and other laws and regulations, conforms to the concept of green transportation, constantly optimizes the management level of green conservation, intensifies the research and development, promotion and application of green conservation technologies, continuously invests resources to conduct green conservation and other projects, strictly monitors the management of environmental risks in the project implementation process, and fully implements the green conservation work goals.

##### *7.1.1 Green process and facilities*

The Company has actively developed environmental protection and low energy consumption technology, reduced the carbon emission in the maintenance process through warm mix asphalt concrete materials, and explored drainage asphalt pavement, low noise pavement, bridge and tunnel green maintenance, etc., so as to constantly improve the road quality. In 2021, the Company actively promoted environmentally friendly conservation engineering materials and technologies such as thin-layer cover and fine slide-resistant protective layers.

## ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

# 7 ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

### 7.1 Green Conservation (Continued)

#### 7.1.1 Green process and facilities (Continued)

**Case:**

Conduct the Research and Development Project for Novel Ultra-thin Wearing Layer Materials

In 2021, in order to source pavement maintenance materials with more excellent comprehensive properties, the Company successfully established the science and technology project named “Key Technologies for Design and Application of Ultra-thin Wearing Layer Mixture Based on Stable and Durable High Viscoelastic Modified Asphalt” (《基於安全耐久的高粘彈改性瀝青超薄磨耗層混合料設計及應用關鍵技術》) and conducted the research and development work for novel ultra-thin wearing layer materials according to the actual needs. This material can speed up the recovery of the function of highway surface and reduce the frequency of road repair work. Compared with the original materials, the new material is more durable and can reduce the consumption of pavement repair materials, thus achieving the green transportation goal of maintenance cost reduction and energy conservation and emission reduction.

**Case:**

Conduct the Research and Development Project for Smart Inspection of Road Conditions

In the smart road inspection, the Company has fully leveraged the intelligent image recognition technology to improve the efficiency of maintenance inspection. In 2021, we set up the science and technology project named “Research on Application Technologies of Highway Maintenance and Inspection Based on Intelligent Image Recognition” (《基於智能圖像識別的高速公路養護巡檢應用技術研究》) and developed a safer, more efficient and convenient green maintenance and inspection technology, which is used for intelligent inspection of highway network conditions and traffic safety facilities. This intelligent inspection technology can replace the existing manual inspection method with low efficiency and poor security, improve maintenance efficiency, and realize the efficient, accurate and information-sharing road maintenance management and road asset management.

## ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

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## 7 ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

### 7.1 Green Conservation (Continued)

#### 7.1.1 Green process and facilities (Continued)

In order to realize the construction of green road equipment with high efficiency and low energy consumption, the Company continues to invest resources, purchase new energy saving road facilities with high efficiency, and gradually abandons old road equipment. In 2021, the Company applied the intelligent control scheme of LED lighting lamps in some sections to adjust power intelligently to meet the demand for a light environment in tunnels and realize energy saving and carbon reduction. The Company also used solar-powered highway delineators to achieve active flashing, dynamic warning and the effect of penetrating rain and mist during the night and guide drivers in an effect, safe, effective, low-carbon manner, and applied new power supply and distribution systems with high efficiency to further reduce the energy loss in the process of road operation and achieve energy conservation and carbon reduction, so as to provide more convenient and reliable road service facilities for drivers and passengers.

#### 7.1.2 Reducing environmental pollution

Anhui Expressway strictly abides by the “Law of the People’s Republic of China on Water Pollution Prevention and Control” (《中華人民共和國水污染防治法》), the “Law of the People’s Republic of China on Prevention and Control of Environmental Pollution by Solid Wastes” (《中華人民共和國固體廢棄物污染環境防治法》) and other relevant laws and regulations, practices the concept of green development, proactively implements environmental protection measures in water pollution treatment, waste management, prevention and control of noise pollution and environmentally friendly snow melting, reduces the environmental pollution that may be caused by special projects, so as to promote sustainable development with practical actions.

## ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

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## 7 ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

### 7.1 Green Conservation (Continued)

#### 7.1.2 Reducing environmental pollution (Continued)

##### *Control of the water pollution risk*

The Company attaches great importance to ecological protection in the process of conservation and construction, prevents water pollution risks with reference to the “Comprehensive Sewage Discharge Standard (GB 8978–1996)” (《污水綜合排放標準》(GB 8978–1996)) and actively explores ways of water pollution treatment. The Company regularly carries out routine maintenance and inspection of sewage treatment facilities and equipment, and actively applies for the purchase approval for the working park without sewage treatment facilities. We attach great importance to water quality monitoring, and entrust professional units to test the water quality and environmental protection standards of the treated sewage so as to ensure that the quality of the discharged water meets the standards. For the emissions with the risk of water pollution, the Company will arrange vehicles to transport them to the designated place for treatment, and they are strictly prohibited to be discharged right on site. In addition, for bridges and other sites that cross water resource, we have implemented safety protection projects in the water resource protection areas, placed warning signs, anti-falling nets, centralized drainage pipes and other facilities in the water resource protection areas to prevent dangerous chemicals or harmful liquids from flowing into rivers, reduce pollution of water resource or land and ensure the safety of water resource in the drinking water protection areas.

In 2021, the Company continued to increase the investment in sewage treatment facilities, and invested a total of RMB8 million in the construction and renovation of facilities. We strictly implemented the standard testing of water quality and environmental protection, strictly managed sewage discharge and water resource protection projects and other measures to avoid possible water pollution risks in the construction process and ensure water resource safety.

## ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

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## 7 ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

### 7.1 Green Conservation (Continued)

#### 7.1.2 Reducing environmental pollution (Continued)

##### *Management of wastes*

The Company attaches importance to the management and control of road construction wastes, and conducts the disposal of dangerous solid wastes under the waste disposal principle of resource utilization and harmlessness, so as to minimize the environmental impact of construction wastes.

Table: Anhui Expressway's Measures for Disposal of Wastes

The Company strictly prohibits dumping or discarding solid wastes during the construction operation. Solid wastes containing toxic and harmful substances are uniformly transported to the designated places for centralized storage and disposal to reduce the risk of pollution from hazardous solid wastes.

The Company actively carries out garbage classification activities, sets up three-color garbage bins in the park for garbage classification and delivery, and entrusts professional cleaning companies to carry out daily cleaning and transportation of kitchen wastes and regular consignment of household wastes and to carry out cleaning and stacking of solid wastes in accordance with the requirements of local environmental protection departments.

On the basis of solid waste disposal, the Company actively explores ways to reuse the retired transportation and traffic facilities, and preliminarily realizes the industrial utilization of retired facilities. The Company uses high-permeability and fine in-plant heat tracing and recycling technology to implement local cycling in corresponding sections so as to improve the utilization efficiency of waste materials. In view of the milling wastes generated in the maintenance project, the Company carried out 100% harmless recycling, and centralized the storage or backfill low-level highways. In 2021, the Company basically achieved zero waste recycling of waste materials.



## ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

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## 7 ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

### 7.1 Green Conservation (Continued)

#### 7.1.2 Reducing environmental pollution (Continued)

##### *Prevention and control of noise pollution*

The Company strictly abides by the “Law of the People’s Republic of China on Prevention and Control of Environmental Noise Pollution” (《中華人民共和國環境雜訊污染防治法》), and has solved the problem of highway noise by reducing noise sources, optimizing noise barriers and other measures to control noise pollution.

In 2021, the Company added, maintained and updated noise barriers, and increased the investment in and construction of noise barriers, with a total investment of RMB13 million for the construction of 4,800 meters of noise barriers for the whole year. At the same time, the Company further studied new environmentally friendly low-noise expansion joint technology, which has been applied in Gaojie Expressway, Anqing Yangtze River Highway Bridge and other expressways and bridges across the Yangtze River, effectively reducing the impact of driving noise on residents’ quality of life.

##### *Environmentally friendly ice removal and snow melting*

Following the principle of “scientificity, precision and environmental protection”, the Company strictly controls the dosage of snow melting agents, procures environmentally friendly snow smelting materials and reduce the risk of environmental pollution caused by snow melting agents flowing into farmlands and rivers. In the snow removal operation in winter, the Company uses environmental protection snow smelting agents with different specifications for different sections to strengthen the protection of the surrounding ecological environment and the safety of the bridge structure. Meanwhile, the Company carries out the ice removal and snow melting work under the operating model of “mechanical operation as principal method and distribution of snow melting agents as a supplement”, so as to reduce the degree of the pollution to the surrounding environment and achieve the green conservation and operation.

## ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

## 7 ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

### 7.1 Green Conservation (Continued)

#### 7.1.3 Maintaining road ecology

The Company attaches great importance to the maintenance of road ecology, and has formulated “Highway Greening and Maintenance Management Measures” (《高速公路綠化養護管理辦法》) to clarify and standardize the road ecological maintenance engineering process from the aspects of daily management and safety management. The Company has compiled the template of the “Bidding Documents of Special Greening and Maintenance Projects” (《綠化養護專項工程招標文件》) and the “Guide Manual for Highway Greening and Maintenance” (《高速公路綠化養護指導手冊》) to clarify the contents and operating points of environmental maintenance work carried out regularly and strengthen the management in the bidding process.

In 2021, in connection with the green plants of the road green belt, the Company timely conducted the plant replacement and replanting, etc., and carried out the corresponding disease and insect pest control, thus improving the driving environment, maintaining road ecosystem, and improving environmental quality.

Table: Special Road Ecology Maintenance Project

#### Special replanting

The Company continued to carry out special compensation projects, and planted a total of 22,000 sabina chinensis and photinia fraseri to ensure road safety, prevent from being dazzle and create a beautiful green environment.

#### Cutting down plants and trees with hidden safety problems

For trees with high trunks and shallow roots that have hidden dangers to road safety, the Xiao County sub-center of the Company cuts down tall poplars within the fences and replanted trees suitable for highways according to the national “one-for-one” requirement, whereby ensuring the health and stability of forestry resources on the road side.

## ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

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## 7 ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

### 7.1 Green Conservation (Continued)

#### 7.1.3 Maintaining road ecology

##### Control of the invasive plant called “golden-rod”

The Company invested over RMB1 million in the control of “golden-rod” by using chemical spraying together with the artificial logging treatment scheme, and conducted the special control in the sections with more golden-rods and control difficulty to completely eliminate the invasive species and avoid the damage to the highway ecosystem and biodiversity.

Following the principle of “Comprehensive Screening, Overall Improvement, Key Point Highlighting, and Highlight Showcasing” (全面排查、整體提升、突出重點、展現亮點), the Company has established the leading groups and the working teams with the management offices to formulate the plan and standards for improving the road environmental quality, and clarified 64 reference standards for 19 major items in four aspects to carry out rectification work based on the “Reference Standards for the Special Action of Improving the Road Environmental Quality of Highways” (《高速公路路域環境品質提升專項行動參考標準》) of Anhui Transportation Holding Group. On the one hand, the Company has carried out the road cleaning work, with all maintenance units responsible for the cleaning of traffic safety facilities, the cleaning of roadside weeds and trees, garbage cleaning and disposal work within their respective working sphere, and regularly conducted special checks to create a clean and unimpeded traffic environment. On the other hand, the Company has constructed road landscape highlights according to local conditions, and built urban high-speed greenway integrating landscape, ecology and life.

## ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

# 7 ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

## 7.1 Green Conservation (Continued)

### 7.1.3 Maintaining road ecology (Continued)

**Case:**

Special Action for Improvement of Road Environment by the Hefei Management Office

In order to implement the Company's deployment of environmental remediation work around expressways and improve the quality of road environment, the Hefei Management Office has carried out the road environment remediation project. Firstly, the Hefei Management Office has set up a leading group and formulated the promotion plan to comprehensively implement the investigation and rectification action, with 10 problems self-examined and self-corrected. Secondly, through the vegetation greening and the building of humanistic sculptures, it has created highlight projects and completed the greening improvement of Baohe Avenue and other interconnecting areas. Thirdly, during the implementation of the project, 550 square meters of illegal plants under the highway bridge in its jurisdiction were removed; 60 cleaning personnel and 40 cleaning vehicles were dispatched daily to clean up white garbage; an average of 30 people and eight mechanical vehicles were dispatched daily to remove rattan and grass in the "mechanical + artificial" form; it also used guardrail cleaning machine to clean up a total of 20 kilometers of guardrail. The renovation work has comprehensively improved the road environment, and has been well recognized by the civilization office, the society and the public.



Photo: Upgrading and Reconstruction of the Greening of the Highway Interconnecting Area

# ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

## 7 ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

### 7.1 Green Conservation (Continued)

#### 7.1.3 Maintaining road ecology (Continued)

Case:

Road Environment Improvement Work by Ningxuanhang Company

In 2021, Ningxuanhang Company thoroughly implemented the instructions of the Provincial Party Committee on strengthening the environmental remediation of the surrounding areas of “Highways, High-speed Railways, and Airports” (兩高一場), closely focused on creating a “smooth, safe, comfortable and beautiful” traffic environment, and carried out road area environmental remediation work with reference to the contents and standards of the Company’s road area environmental remediation and investigation work. On the one hand, Ningxuanhang Company highlighted the daily maintenance and road cleaning work, replanted and trimmed green plants on the roads, service areas, interchange areas, etc. in a timely manner, cleaned and dredged the traffic safety facilities, and comprehensively improved the road appearance. On the other hand, Ningxuanhang Company troubleshot the service conditions of all traffic signs and signboards along the lines, and collectively replaced and repaired the substandard facilities, thus improving the road and traffic safety facilities and optimizing the road environment.




Photo: Roadside Green Plant Trimming

Photo: Replacement of Traffic and Safety Facilities



ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

7 ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

7.2 Low Carbon and Environmental Protection

The Company continues to contribute to the response to climate change and social low-carbon development. We have actively formulated green office policies, carried out green office activities, and renovated and upgraded energy and water saving facilities, improved the efficiency of use of resources, so as to make energy, water and waste consumption in office more efficient and environmentally friendly. We also proactively promote the concept of green and low-carbon travel, strictly supervise the use and disposal of official cars, proactively take measures to reduce waste generation, reduce environmental risks by upgrading exhaust gas and waste treatment facilities, and integrate the environmental protection concept into the management process.

7.2.1 Respond to climate change

Anhui Expressway actively responded to “carbon peak and carbon neutrality” requirements of the Party and the State, deepened green operations, accelerated construction of green transportation, and addressed climate change with the society. We continuously improved the environmental management system, and strengthened the efficient management of each link by formulating the environmental management goal of “energy conservation, emission reduction, and compliant operation”.

Goal category	Overall goal
Improving the environmental management system	<ul style="list-style-type: none"><li>Establishing an ecological and environmental protection responsibility system and an assessment accountability system</li><li>Implementing the requirements for up-to-standard discharge and source control, and ensuring the safety of personnel and property under special circumstances through environmental emergency management plans</li></ul>

## ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

### 7 ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

#### 7.2 Low Carbon and Environmental Protection (Continued)

##### 7.2.1 Respond to climate change (Continued)

Goal category	Overall goal	
Energy conservation and emission reduction	Greenhouse gases and energy management	<ul style="list-style-type: none"> <li>Carrying out energy conservation and emission reduction for greenhouse gas emissions in Scope 1 and Scope 2 generated from operation to gradually reduce carbon emissions, such as:               <ol style="list-style-type: none"> <li>Establishing an energy management ledger to strengthen the daily monitoring and management of energy consumption</li> <li>Prioritizing the purchase of new energy vehicles, and gradually phasing out old fuel vehicles with poor energy consumption performance</li> </ol> </li> <li>Vigorously advocating green office and green life, and encouraging employees to reduce personal carbon emissions</li> </ul>
	Water	Strengthening water-saving publicity and advocacy, selecting water-saving appliances, and reducing water consumption caused by operation of the Company
	Waste	<p>Implementing waste classification management, improving recycling efficiency of hazardous waste, reducing waste generation, and increasing efficiency of resource use:</p> <ul style="list-style-type: none"> <li>For hazardous waste, improving the utilization rate of office products, and carrying out effective recycling of waste lamps, ink cartridges, toner cartridges, batteries and other hazardous wastes</li> <li>For non-hazardous waste: strengthening the relevant propaganda of saving food and opposing waste, reducing the total amount of kitchen waste, and promoting intelligent and paperless office</li> </ul>

ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

7 ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

7.2 Low Carbon and Environmental Protection (Continued)

7.2.1 Respond to climate change (Continued)

According to climate change and the trend of environmental and economic transition, the Company assessed the risks of transition and physical climate change, and formulated relevant future action plans in 2021.

		Effect	Response
Transition risk	Policy risk	<ul style="list-style-type: none"><li>The country is moving towards carbon peaking in 2030 and carbon neutrality in 2060. China will take clean and low carbon as the leading direction of energy development, and promote the transformation of energy to green production and consumption. Enterprises are facing risks related to energy structure and energy use</li></ul>	<ul style="list-style-type: none"><li>The Company accelerates the pace of low-carbon and clean production, supports high-quality and green development of economy, and promotes the introduction of low-energy consumption and cleaner equipment</li></ul>

## ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

### 7 ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

#### 7.2 Low Carbon and Environmental Protection (Continued)

##### 7.2.1 Respond to climate change (Continued)

	Effect	Response
Physical risk	Acute risk <ul style="list-style-type: none"> <li>The typhoon will destroy road facilities and equipment, threaten the personal safety of employees and pedestrians, affect the smooth flow of roads, and damage the safety of personnel and property of the Company.</li> <li>The typhoon will affect the Company's business operations, which may lead to business interruption and reduce revenue</li> <li>Extreme precipitation and floods will easily lead to safety accidents, threatening the life safety of employees and pedestrians</li> <li>Risk of road flooding in low-lying areas will increase, damaging road infrastructure and production equipment</li> <li>Frozen conditions in extremely cold weather will increase safety risks of employees and pedestrians, and affect the smooth flow of roads</li> <li>Under extremely hot and cold conditions, the operating costs of temperature control of various facilities will increase, and the cost of facility maintenance will also increase</li> </ul>	<ul style="list-style-type: none"> <li>Carrying out a comprehensive investigation of potential safety hazards before the typhoon and flood seasons, strengthening patrols, reserving enough emergency supplies and vehicles to improve the ability to resist typhoons and floods</li> <li>Timely releasing road information to improve traffic efficiency and ensure smooth roads</li> <li>Launching contingency plans to reduce losses caused by business interruption</li> </ul>
	Chronic risk <ul style="list-style-type: none"> <li>Sea level rising will cause damage to equipment and facilities</li> <li>Increased rainfall due to climate change will affect road traffic and increase road operation and maintenance costs</li> <li>Global warming increases the risk of heat waves, droughts, fires. Hot weather will reduce production efficiency while affecting equipment maintenance costs</li> </ul>	<ul style="list-style-type: none"> <li>The highways and management units under the Company's jurisdiction belong to the mid-latitude regions, and the impact of sea level rise on our production and business is limited</li> <li>Increasing the frequency of equipment maintenance to ensure the safe and normal operation of the equipment</li> <li>Formulating emergency plans for fire and heavy rainfall in advance to ensure the safety of personnel and property</li> </ul>

## ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

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## 7 ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

### 7.2 Low Carbon and Environmental Protection (Continued)

#### 7.2.2 Power saving

The Company continuously promoted its energy saving policies to encourage power saving and energy use management and adopted new energy alternatives to promote office energy conservation and emission reduction. In connection with power saving, the Company strictly implemented the "Management System for Power Supply and Distribution" (《供配電管理制度》) and other regulations and systems to regulate the way the staff use power. It also advocated to turn off the electricity and the light after leaving, to turn off all power sources in time during holidays and to set the opening time and working temperature of air conditioning to eliminate waste of electricity. Equipment with high energy consumption should be retired, high-voltage cables and LED lamps and other facilities with high efficiency and energy saving should be used, the application of new energy-saving technologies strengthened, and energy consumption and maintenance costs reduced, so as to create a green and energy-saving office culture in an all-round way.

#### **Case:** Office Building Lighting System Renovation Project

In 2021, the Company actively responded to the national call for low-carbon environmental protection, energy conservation and emission reduction, and carried out the lighting renovation project in the industrial park, replacing the original high energy consumption fluorescent lamps with energy-efficient LED lamps. The Company replaced the original 1,620 spotlights in the office building of the industrial park with 9w LED spotlights, and replaced the original 1,440 grille lights in the R&D building of the office park with 28w LED grille lights. This renovation project minimized the energy consumption of the lighting system, effectively improved the light efficiency of the lighting system and the overall image of the building, and saved about 283,240 kWh of electricity in the office area throughout the year.



## ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

# 7 ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

## 7.2 Low Carbon and Environmental Protection (Continued)

### 7.2.3 Management of water resource

The Company reduced the impact of its operations on the environment. In 2021, the Company continuously improved the saving management system, and further implemented various water-saving systems such as the “Management System for Planned Water Consumption and Water Conservation” (《計劃用水和節約用水管理制度》), the “Water Conservation Reward and Punishment System” (《節水獎罰制度》) and the “Water Metering Management System” (《水量計量管理制度》). It also proactively organized water-saving activities such as “World Water Day”, “National Urban Water-saving Publicity Week” and “Establishment of Water-saving Demonstration Unit” to further enhance employees’ awareness of saving and responsibility. In addition, the Company strengthened the daily management, required the staff to put an end to “long running water” and to timely turn off the tap, among others, improved the intelligent application of facilities in the park, installed induction wash basins, conducted regular inspection and maintenance work, repaired and replaced water pipelines and other equipment in time, and prevented the phenomenon of “releasing, bubbling, dripping and leakage” (跑、冒、滴、漏), thus comprehensively reducing the waste of water resource and improving the utilization efficiency of water resource.

#### Case:

#### Office Building Water System Renovation Project

In 2021, in order to actively respond to the call of environmental protection, the Company reduced the waste of water resource and carried out the water system renovation project. Under the premise of ensuring water safety, the Company fully realized the environmental protection in water use in the park zone of the Company. The Company renovated the secondary water supply system of the apartment building into a direct water pump and set up an intelligent monitoring system. During the year, seven water leakage points were troubleshot and repaired, saving nearly 3,000 tons of water. It also replaced the original manual steam valves of air conditioners in the R&D building of the industrial park with electric steam valves, saving approximately 1,270 tons of steam in the whole year and reduced the water consumption of landscape and greening in the park, saving 1,825 tons of water in the whole year. The original manual car washing facilities of the car washing house in the park were upgraded into a booster pump car washing system, saving 912.5 tons of water in the whole year.

## ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

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# 7 ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

## 7.2 Low Carbon and Environmental Protection (Continued)

### 7.2.4 Management of vehicles

The Company actively encourages employees to take green travel, advocates and encourages employees to commute by using public transportation tools and reduces the frequency of the use of official vehicles. In 2021, the Company optimized the management system for official vehicles, clarified the basic process of booking vehicles by standardizing booking application, reviewing booking, dispatching vehicles and other steps, and strengthened the audit and supervision of the use of public vehicles, so as to avoid private use of public vehicles, improve the use efficiency of official vehicles, reduce consumption, save costs and reduce costs. In 2021, the Company strictly abided by the “Management Measures for Disposal of State-owned Assets” (《國有資產處置管理辦法》) and conducted the disposal of 32 official vehicles that met the standards for being discarded as unserviceable based on the assessment by professional evaluation companies in accordance with relevant requirements.

### 7.2.5 Management of wastes

The Company highly values the management of office waste, strictly controls the environmental risks caused by office wastes, actively takes measures to reduce the generation of wastes, strictly complies with the regulations on waste treatment, and implements harmless treatment of exhaust gases and wastes, so as to create a green office atmosphere. There were no product packaging steps involved and no packaging materials were consumed in the production and operation of the Company.

In order to efficiently complete the exhaust gas treatment work of the canteen, in 2021, the Company upgraded the oily fume discharging equipment of the canteen, purified and discharged the oily fume of the canteen, and regularly arranged special personnel for recycling and disposal. In the hardening treatment of the canteen ground, the Company redid filled board rooms, and strengthened the canteen ventilation and cleaning function, thus realizing the safe and environmentally friendly treatment of canteen exhaust gases.

## ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

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## 7 ADHERING TO AN ENVIRONMENTALLY FRIENDLY ROAD (Continued)

### 7.2 Low Carbon and Environmental Protection (Continued)

#### 7.2.5 Management of wastes (Continued)

In terms of waste treatment, in 2021, the Company implemented waste classification management in office, and carried out special treatment for the kitchen waste of the staff restaurant, which are cleaned regularly by the cleaner designated by the government. For the retired lamp tubes, ink cartridges, toner cartridges, batteries and other hazardous wastes generated by the office, the Company recycled and stored them in the warehouse, which will be then dealt with regularly by professional units. In October 2021, the Company built a special garbage treatment pool to reduce the disorderly piling of construction wastes and domestic wastes and relieve the environmental impact caused by office wastes.

The Company actively promotes office automation, promotes intelligent and paperless office, and reduces the waste of ink, paper and other office supplies through “OA office platform”, the “Anhui Expressway Collaborative Business System” and other information management platforms. For waste paper treatment, the Company actively promotes the recycling of office supplies, requires double-sided use of paper as much as possible, unifies the collection of waste paper as scratch paper, and effectively reduces the use of office supplies, so as to practice green office with practical actions.



## FORGING A CAREER ROAD FOR EMPLOYEES

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### 8 FORGING A CAREER ROAD FOR EMPLOYEES

Anhui Expressway regards outstanding employees as the valuable wealth of the Company. The Company adheres to the management concept of talent-based corporate development and continues to establish a professional and effective talent training system on the basis of protecting the rights and interests of employees, providing all-round care for employees, taking good care of their physical and mental health, and continuously improving their happiness and satisfaction.

#### 8.1 People-oriented

Anhui Expressway insists on the principle of people-oriented, fair and legal employment, continues to optimize the performance-based salary management system, protects various rights and interests of employees in accordance with the law, facilitates the career development of employees, and comprehensively constructs a win-win labor relationship between the Company and employees.

##### *Employment in accordance with the law*

Anhui Expressway effectively protects the legal rights and interests of its employees through a legal and compliant employment process. On the basis of abiding by the “Labor Law of the People’s Republic of China” (《中華人民共和國勞動法》), the “Labor Contract Law of the People’s Republic of China” (《中華人民共和國勞動合同法》), the “Social Insurance Law of the People’s Republic of China” (《中華人民共和國社會保險法》), the “Law of the People’s Republic of China on the Protection of Minors” (《中華人民共和國未成年人保護法》) and other laws and regulations, the Company has revised and issued the “Management Measures for Staff Recruitment” (《員工招聘管理辦法》), “Management Measures for Staff Attendance of the Headquarters” (《本部員工考勤管理辦法》), “Management Measures for Staff Leave and Overtime” (《員工請假及加班管理辦法》) and “Management Measures for Labor Contract” (《勞動合同管理辦法》) to carry out staff recruitment in accordance with the law and ensure the rationalization of the processes of attendance, leave, overtime, assessment and labor contract. In 2021, the labor contract signing rate of the Company’s employees was 100% and the social security coverage rate of the employees was 100%.

## FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

### 8 FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

#### 8.1 People-oriented (Continued)

##### *Employment in accordance with the law (Continued)*

We eliminate any form of discrimination on the basis of gender, ethnicity, religion and political stance, prohibit forced labor and child labor, and protect the legal rights of our employees. During the recruitment process, the Company strictly follows the regulations in recruiting staff and ensures that the recruitment process is legal and compliant. If illegal employment is discovered, the Company will immediately terminate the labor contract and take the initiative to report the situation to the local government for handling. In 2021, the Company had a total of 2,058 employees, of which 47.52% were female employees.





## FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

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### 8 FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

#### 8.1 People-oriented (Continued)

##### *Salary and benefits*

Anhui Expressway has formulated a sound management system for salary recognition and payment. By revising and issuing the “Comprehensive Assessment Method of Anhui Expressway (Trial)” (《皖通高速綜合考核辦法(試行)》) system, the Company has continuously improved the management standard of performance wages to ensure the harmonious and orderly sustainable development of the Company. We evaluate the salary level of employees by considering various factors such as job nature, years of employment, work experience and academic qualifications, and strictly implement the relevant regulations on salary management to ensure timely payment of salaries.

The Company purchases labor and social insurance for its employees. Based on the “Social Security Law of the People’s Republic of China” (《中華人民共和國社會保障法》) and “Social Insurance Law of the People’s Republic of China” (《中華人民共和國社會保險法》), in 2021, the Company further enhanced the medical insurance benefits for its employees by revising and publishing the “Interim Measures for the Management of Supplementary Medical Insurance for Employees of Anhui Expressway Headquarters (Trial)” (《皖通高速本部員工補充醫療保險管理暫行辦法(試行)》), which provides fixed amount of compensation for working and retired employees according to their age in terms of drug purchase, outpatient services, hospitalization, and subsidies for major diseases in order to protect the personal health of employees.

#### 8.2 Talent Development

Anhui Expressway pays attention to the career development of employees, constructs a scientific and systematic training system, plans a clear growth path for employees, and helps employees improve their professional knowledge and comprehensive capability, realizing the common growth of talents and the enterprise.

## FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

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### 8 FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

#### 8.2 Talent Development (Continued)

##### 8.2.1 Smoothing career channels

Anhui Expressway has a clear and smooth career advancement channel for employees, giving them sufficient opportunities and wide room for progress, establishing a satisfactory talent development channel and laying a solid foundation for the Company's rapid development. In 2021, the Company further standardized the staff promotion method on the basis of the design system of the career channel of the domestic benchmark enterprises and with reference to the relevant national systems such as the "Civil Service Duty and Rank Parallel Regulations" (《公務員職務與職級並行規定》), and revised and issued the "Management Measures on Career Channel and Career Development of Staff of Anhui Expressway Headquarters (Trial)" (《皖通高速本部員工職業通道和職業發展管理辦法(試行)》) in combination with the situation of the Company, taking the Company's headquarters as the trial point to implement the parallel system of duties and ranks, and stipulating the implementation of a point system for employee promotion.

The Company has adopted a "dual-channel" development model of duties and ranks for management positions, and set up the promotion methods for different duty levels in management positions, professional and technical positions and work skills positions, respectively, to further broaden the career development scope and promotion channels for employees and stimulate the vitality of the staff team. In addition, we also encouraged employees to achieve excellent work performance and improved their personal core competitiveness through the management method of career demotion.

In terms of management appraisal, Anhui Expressway has formulated clear appraisal methods for middle management and departmental employees, and the results are used as an important basis for departmental management team building and managerial staff selection and appointment. The Company insists on the management style of being able to accept a higher or lower post, and distinguishes rewards and punishments, and gives one-time cash incentives to the middle management staff who have been evaluated as excellent for three consecutive years, while the management staff who are ranked low in the evaluation are communicated and managed. In addition, the Company assesses the business management and comprehensive evaluation standards of each operation unit and sets additional points and deductions to promote the overall improvement of employees.

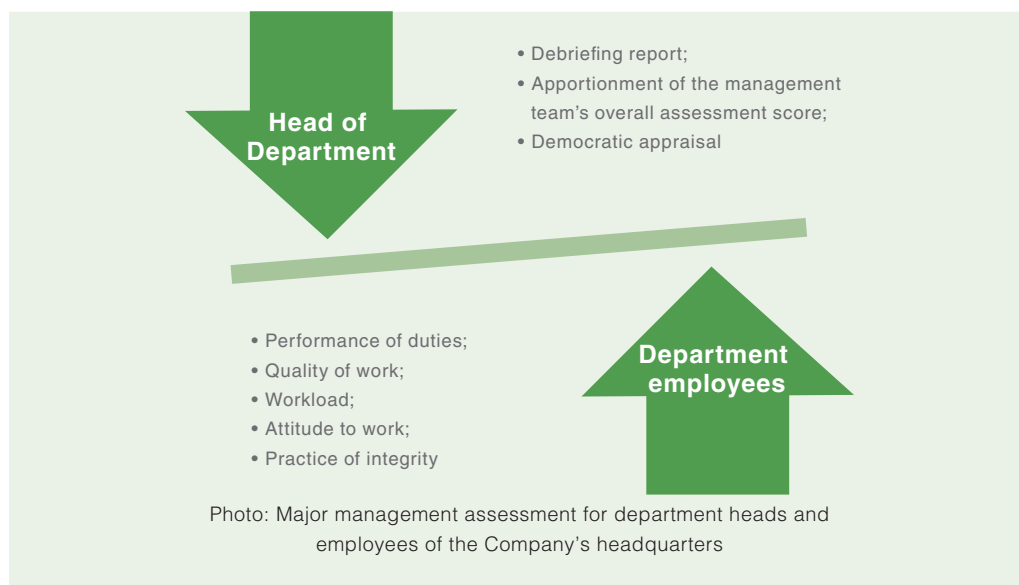
## FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

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### 8 FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

#### 8.2 Talent Development (Continued)

##### 8.2.1 Smoothing career channels (Continued)



FORGING A CAREER ROAD  
FOR EMPLOYEES (Continued)

8 FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

8.2 Talent Development (Continued)

8.2.1 Smoothing career channels (Continued)

Table: The Management Unit Assessment Indicators System of the Company

Category	Indicators
Business Management	<ul style="list-style-type: none"><li>• Operation management</li><li>• Maintenance management</li></ul>
Comprehensive Evaluation	<ul style="list-style-type: none"><li>• Investment management, fixed asset management, financial management</li><li>• Scientific and technological management, “Three Importance and One Large” issues, managing enterprises according to the law</li><li>• Audit risk control, bidding management, labor and wages</li><li>• Point of deductions: safety production, pandemic prevention and control</li><li>• Point of bonus points: targeted support</li></ul>

## FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

### 8 FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

#### 8.2 Talent Development (Continued)

##### 8.2.2 Improving the training system

Anhui Expressway continuously improves the training management system and innovates on the internal training and education forms to realize the improvement of the comprehensive quality and business skills of employees. The Company has established a diversified training and education system and continuously optimized and updated training resources based on the “Interim Measures for Staff Training Management” (《員工培訓管理暫行辦法》) and the “Rules for Education and Training of the Company at Headquarters” (《公司本部教育培訓工作規則》).

The Company applies the modern enterprise training concept and carries out diversified and differentiated vocational training by inviting scholars, industry experts and professors, and cooperating with universities through a detailed training plan and a complete training system. The Company provides more than 100 kinds of training courses on emergency preparedness, road network knowledge and information handling to all departments and staff at all levels to enhance the theoretical and practical operation of staff in all aspects. In 2021, the Company's employees participated in more than 300 internal and external training activities, and the Company spent more than RMB1.6 million to support employee training. In 2021, the average training hours for all employees of the Company was 16.97 hours/person.

Table: Part of Training Courses of Anhui Expressway

Training Type	Training Courses
<b>Staff Training</b>	<ul style="list-style-type: none"> <li>New employee orientation training</li> <li>Comprehensive quality improvement course for financial staff</li> </ul>
<b>Service Training</b>	<ul style="list-style-type: none"> <li>Smile service training</li> <li>ETC service enhancement training</li> </ul>
<b>Safety Training</b>	<ul style="list-style-type: none"> <li>Internal audit training course</li> <li>Safety production knowledge training</li> </ul>



## FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

### 8 FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

#### 8.2 Talent Development (Continued)

##### 8.2.2 Improving the training system (Continued)

###### Case:

Anhui Expressway and National University of Singapore Suzhou Research Institute Held a Training Course for Young and Middle-Aged Cadres

In July 2021, Anhui Expressway cooperated with National University of Singapore Suzhou Research Institute to launch a training course for young and middle-aged cadres. 52 trainees from the Company's headquarters and management units participated in the training. The training was conducted in the form of "expert lecture + on-site teaching + field visit", focusing on Party building work innovation, red education, macro-economy, risk control, highway enterprise refinement management, highway maintenance management, etc., to enhance the ideology of the Company's young and middle-aged cadres and broaden their horizons.



Photo: Anhui Expressway and National University of Singapore Suzhou Research Institute Held a Training Course for Young and Middle-Aged Cadres

## FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

### 8 FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

#### 8.2 Talent Development (Continued)

##### 8.2.2 Improving the training system (Continued)

###### **Case:** Employee “Interactive” Integrity Awareness Enhancement Training

In November 2021, in order to enhance the staff’s “interactive” integrity awareness, Anhui Expressway organized each operation unit to carry out a credit traffic publicity month activity with the theme of “Honest and trustworthy for smooth journey”. The Company used the publicity column, electronic screen, QQ group, WeChat official account and other platforms to push publicity materials such as the maintenance of road property and road rights, road protection laws and regulations.



Photo: Employee “Interactive” Integrity Awareness Enhancement Training

## FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

### 8 FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

#### 8.2 Talent Development (Continued)

##### 8.2.2 Improving the training system (Continued)

**Case:****Lectures of Anhui Expressway Academic Discourse**

In November 2021, Anhui Expressway invited Chen Guanghua, executive vice president of Hohai University School of Law, and Fan Jinguo, director of Hubei Xinglu Law Firm (湖北興路律師事務所), to conduct legal training by lectures for the employees of the Company. Through video conference, the Company organized training by lectures of Anhui Expressway Academic Discourse on "Analysis of Legal Issues Related to Highway Operation and Management". More than 230 people attended the training, including relevant leaders, department heads and management unit staff of the Company.

In terms of highway safety guarantee and hazard liability, the two experts explained the types of legal risks and solutions thereunder in highway operation and management in a systematic and comprehensive manner, helping employees to accurately identify legal risks in their work.



Photo: Anhui Expressway Academic Discourse

#### 8.3 Care for Employees

Anhui Expressway attaches importance to the physical and mental health of its employees. The Company actively organizes multi-level and all-round employee care activities to enrich employees' spare time, further enhance their sense of identity and belonging to the Company, and continuously improve their happiness index.

## FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

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### 8 FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

#### 8.3 Care for Employees (Continued)

##### *Diversified communication*

Good and effective communication is an important part of the development of the enterprise and the staff with one heart. Anhui Expressway builds and continuously improves the communication system and communication channels, and actively listens to the suggestions and demands of employees. We have established trade union organizations and staff representative meetings to fully protect employees' rights to information, participation and supervision of corporate management. In 2021, Anhui Expressway held the third congress of workers and staff of the first session and collected 55 proposals from all relevant units at the meeting, including 1 proposal for construction management, 1 proposal for Party building management, 1 proposal for reform and development, 1 proposal for operation management, 1 proposal for corporate culture, 14 proposals for staff rights and interests, and 13 proposals for general management. After being examined by various functional departments of the Company, we agreed to register 21 cases, accounting for 38% of the proposals.

##### *Employee health*

Anhui Expressway attaches great importance to the physical and mental health of its employees. Every year, the Company arranges regular health checkups for employees to help them prevent and exclude major diseases, unites with authoritative organizations to spread health knowledge, and regularly carries out activities such as pandemic prevention and control, psychological counseling, occupational disease prevention, and health lectures to help employees understand their health conditions in a timely manner. The Company has also equipped its employees with facilities such as a gymnasium and a baby care room. In addition to preventing the spread of the pandemic, the Company also purchased pandemic prevention supplies and heatstroke prevention products for its employees in combination with their summer health care needs, and actively organized employees to get vaccinated against COVID-19. In 2021, the coverage rate of medical examination for employees of the Company was 100%. In 2021, the Company's labor union held week-long Chinese medicine voluntary clinics for employees, and more than 130 employees actively participated in health checkups and received health consultation services.

## FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

### 8 FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

#### 8.3 Care for Employees (Continued)

##### *Employee health (Continued)*

In addition, in order to perform well in preventing heatstroke and cooling down during the high temperature period in summer, and to send the Company's care to the heart of the front-line workers in time, the labor union of Anhui Expressway organizes a series of warming activities of "sending warmth in winter" and "sending coolness in summer" every year. A total of RMB112,000 of offerings was distributed throughout the year.

##### **Case:**

##### *The Company Sends Coolness to the Front-Line Maintenance Workers in 2021*

In August 2021, members of the leadership team of Anhui Expressway conducted "sending coolness" to the staff of each management unit. The leading members went to the toll stations, maintenance sub-centers and ETC customer service nodes under each management unit to visit the front-line workers of toll collection and maintenance, ETC promotion and issuance and road maintenance construction during the high temperature period, and sent them comforting heatstroke prevention products to make them feel cool in the hot summer.



Photo: The Company Sends Coolness to the Front-Line Maintenance Workers



## FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

### 8 FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

#### 8.3 Care for Employees (Continued)

##### *Relief and mutual aid*

Anhui Expressway has set up a fund to help employees in difficulty, applied and reported for condolence money for workers in difficulty who meet the criteria and adopted various measures to help them, focusing on families in difficulty due to illness, accidents and children's schooling, etc., in an effort to solve the problem at root. In 2021, 41 difficult employees of the Company received a total of RMB110,500 of consolation money from the labor union of Anhui Transportation Holding Group, and the "Golden Autumn Scholarship" of RMB4,000 was granted to the children of employees in difficulties. The labor unions of all operating units of the Company purchased China Employees' Mutual Insurance for employees in a timely manner, amounting to RMB760,000, to help alleviate the burden of employees who unfortunately suffered from accidental injuries, major diseases and special diseases for women.

##### **Case:**

##### Anhui Expressway's Mutual Aid Insurance Work for Grassroots Workers was Commended at the Provincial Level

In May 2021, the Anhui Provincial Office of China Employee Insurance Mutual Aid Association recognized Anhui Expressway as "excellent" in the assessment of the work of mutual aid insurance for grassroots workers. The Company's labor union committee has conscientiously fulfilled its responsibilities and actively promoted all workers to participate in mutual aid insurance work, showing "mutual aid love" when the workers are in difficulties, so that the majority of workers can truly experience our warmth.

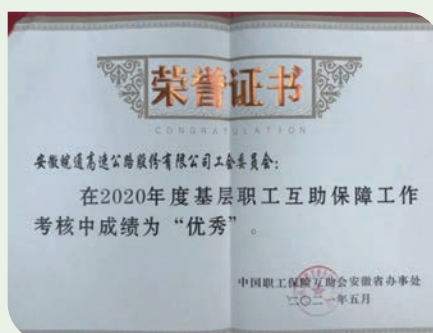


Photo: Anhui Expressway's Mutual Aid Insurance Work for Grassroots Workers was Commended at the Provincial Level

## FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

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### 8 FORGING A CAREER ROAD FOR EMPLOYEES (Continued)

#### 8.3 Care for Employees (Continued)

##### *Cultural and sports activities*

Anhui Expressway has organized various forms of staff cultural and sports activities to enable employees to cultivate a healthy lifestyle and positive attitude towards life while working. In 2021, the Company has carried out many cultural and sports activities in various forms and themes, such as walking, picnics and bonfire parties, to fully relax the physical and mental health of the employees, inspire them to work hard, enrich their spare time and strengthen the cohesion between the enterprise and the employees. In 2021, the Company held a total of 45 cultural and sports activities and 41 book reading activities throughout the year.

##### *Caring for women*

Anhui Expressway is highly concerned about the needs and development of female employees. The Company follows the “Special Regulations on Labor Protection for Female Employees in Anhui Province” (《安徽省女職工勞動保護特別規定》) and practically protects the personal rights and interests of female employees in political, cultural, economic, educational, labor and social and family aspects.

In accordance with the deployment of the Provincial Federation of Labor Unions and the labor union of Anhui Transportation Holding Group, the Company actively organized and launched the activities of “Women Employees’ Rights Protection Month” and enhanced the awareness of women employees’ rights protection by organizing a series of measures, such as law promotion lectures, “Concerning about Female Employees – The Law is on Your Side” national online legal knowledge competition for workers and “Women’s Day on 8 March” activities. In addition, the Company actively participated in the establishment of the “Sunshine Home” for female employees, which was promoted by the Women’s Work Committee of Anhui Provincial Federation of Labor Unions. The “Sunshine Home” is a service facility set up to help address the special needs of female employees, combining the functions of a love mummy hut, a psychological counseling room, a menopause lounge and a health book bar. In 2021, the Company used a grant in aid of RMB170,000 from the Provincial Federation of Labor Unions to optimize the facilities and equipment of the Sunshine Home in a timely manner.

## BUILDING A ROAD OF SERVICE FOR THE PUBLIC

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### 9 BUILDING A ROAD OF SERVICE FOR THE PUBLIC

Anhui Expressway is committed to the rapid development of the enterprise while fulfilling its social responsibility. We actively fulfill our responsibilities in targeted poverty alleviation and rural revitalization, shoulder the responsibility of pandemic prevention and control, and carry out various voluntary activities to contribute to the urban development and social harmonious development.

#### 9.1 Rural Revitalization

Anhui Expressway actively responds to the national rural revitalization strategy, and has been carrying out targeted assistance work in Lishu Village, Taihu County, Anqing City, Anhui Province since 2017, formulating the “Targeted Poverty Alleviation Work Plan” and fully assisting to consolidate the achievements of poverty alleviation. In 2021, Anhui Expressway actively participated in the village assistance work in Lishu Village, Taihu County, carried out visits and assistance in various aspects, such as industrial development, grassroots governance, skills training, education and disability assistance.

##### *Consolidating the effectiveness of assistance*

In order to solve the problems of the large population base to overcome poverty, the lack of supporting public services and infrastructure, and the low level of refined management of the collective economy in Lishu Village of Taihu County, the Company established a dual-package system for targeted poverty alleviation and gave full play to the role of assistance to ensure that the poverty alleviation measures were recognized by the aid recipients and the effectiveness of poverty alleviation could stand the test of practice. As of 31 December 2021, there were 324 households and 1,098 people in Lishu Village lifted out of poverty, accounting for 29.93% of the village population, and the village collective economic income reached RMB580,000 in 2021.

## BUILDING A ROAD OF SERVICE FOR THE PUBLIC (Continued)

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### 9 BUILDING A ROAD OF SERVICE FOR THE PUBLIC (Continued)

#### 9.1 Rural Revitalization (Continued)

##### *Assistance of infrastructure construction*

Anhui Expressway takes the improvement of living environment as the necessary means to realize rural revitalization. The Company focuses on and continuously increases the investment in infrastructure construction, vigorously promotes the construction of barrier-free access projects, as well as the improvement of water, toilet and garbage management, and timely helps Lishu Village to complete the restoration of water-damaged farmland and river channels, improve the living environment, so as to achieve the goal of fostering rural civilization that is mutually beneficial and complementary. In 2021, we invested RMB100,000 in and completed the broadening of the main road and the rehabilitation of 13 water damages in the village, renovated 26 new household sanitary toilets, and allocated RMB1 million to support the improvement and hardening of roads to households, in order to solve the problem of “the last meter” for the residents of Lishu Village.

##### *Promoting cultural revitalization*

In 2021, the year of the 100th anniversary of the founding of the Communist Party of China, we carried out in-depth learning and education on the history of the Party in Lishu Village, vigorously cultivated and practiced the core socialist values, firmly based on the excellent Chinese traditional culture, and strengthened the education concerning the legal system and ideological and moral progress. In 2021, the Company's work team in Lishu Village actively organized activities such as “Hymn to the Party, Singing for the New Era” red song contest and New Year's celebration to enrich the public cultural construction in the village and help revitalize the rural culture.

Table: The Company's Rural Revitalization Measures

- **Poverty alleviation in the industry:** Based on the resource endowment of Lishu Village, we coordinated the sale of agricultural products, agricultural technology promotion and training, as well as resource integration and coordination, and vigorously cultivated new types of business to promote the high-quality and healthy development of each industry. In 2021, we helped sell more than RMB2 million in unmarketable agricultural products.

## BUILDING A ROAD OF SERVICE FOR THE PUBLIC (Continued)

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### 9 BUILDING A ROAD OF SERVICE FOR THE PUBLIC (Continued)

#### 9.1 Rural Revitalization (Continued)

##### *Promoting cultural revitalization (Continued)*

- **Offer of employment:** In line with the principle of “accepting as many people as possible and helping as many as possible”, we manage the population lifted out of poverty by category. In 2021, we implemented differentiated assistance policies for 324 households that have eliminated poverty by means of “one program for one household and one measure for one person”, and set up 104 public welfare positions for households, and issued wages of more than RMB500,000, so as to bring stable income to the households that have lifted out of poverty.

Led by village collective cooperatives, we have integrated the collective economies of village-level photovoltaic power stations, greenhouse mushroom cultivation bases, tea cultivation bases and agricultural product processing plants to boost the employment and income of farmers through the employment of workers and the creation of public welfare positions. In 2021, we arranged 48 workers in tea and oil tea camellia planting, picking and processing, paid wages of more than RMB40,000, and guided more than 50 households with the capability to overcome poverty to develop income-generating industries, receiving RMB134,000 in rewards and subsidies.

- **Talent training:** We pay attention to the improvement of farmers’ management cognitive level and practical skills. Members of the Company’s work team in the village and members of the two village committees actively participated in training courses for cadres, training courses for members of the two committees and training courses for secretaries of the Party organizations to improve their abilities. In addition, we actively organized farmers out of poverty to learn the techniques of winter tea garden management, tea oil pressing, etc. to enhance the technological capability of developing industries, and set up a “talent pool” on the basis of a comprehensive talent group mapping to provide talent support for the development of Lishu Village.



## BUILDING A ROAD OF SERVICE FOR THE PUBLIC (Continued)

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### 9 BUILDING A ROAD OF SERVICE FOR THE PUBLIC (Continued)

#### 9.2 Volunteering Activities

Anhui Expressway has a high sense of social responsibility and insists on participating in different types of public welfare projects to promote the voluntary spirit of “dedication, friendship, mutual help and progress”. The Company’s employees actively participated in public welfare volunteer activities, set up volunteer service teams, poverty alleviation points in poverty-stricken counties and united charity organizations to provide volunteer services for elderly people of no family, left-behind children and disabled children, and carried out consolation activities on Children’s Day to express their care for the next generation. The Company has set up volunteer service teams and organized volunteers to carry out various forms of volunteer service activities.

#### 9.3 Preventing and Fighting the COVID-19 Pandemic

Anhui Expressway actively fulfilled its mission as a state-owned enterprise in the battle against the “pandemic”. Under the guidance of the local pandemic prevention policy, the Company strictly implemented the various prevention and control and inspection systems, and equipped sufficient pandemic prevention supplies at each management office, demonstrating a high degree of social responsibility.

Under the normalization of pandemic prevention and control, Anhui Expressway strictly implements various prevention and control measures, proactively cooperates with local governments and relevant departments to carry out joint prevention and control, and ensures the unimpeded transportation of pandemic prevention supplies. We set up a headquarters for pandemic prevention and control and a special working group on pandemic, practically implemented the “four-party joint prevention” mechanism, guaranteed the quick passage policy of emergency vehicles with “no stopping, no inspection, no fees, and priority access”, and set up special channels for the transportation of pandemic prevention and control supplies on relevant road sections. According to the changing situation, the Company inspects the pandemic prevention and control work in each area in a “four-not and two-straight” secret investigation system manner, in accordance with the requirements of “external prevention of import and internal prevention of rebound” and “prevention of people, materials and environment together”, the Company actively cooperated with the local pandemic prevention department, strengthened the joint prevention and control of “all the way to four sides”, and strictly implemented the “daily inspection and zero report” system.

## BUILDING A ROAD OF SERVICE FOR THE PUBLIC (Continued)

### 9 BUILDING A ROAD OF SERVICE FOR THE PUBLIC (Continued)

#### 9.3 Preventing and Fighting the COVID-19 Pandemic (Continued)

The Company assumed the responsibility of the transit station for inbound personnel, paid daily attention to the pandemic prevention and control policies of each region, refined the “one-stop-one-policy” measures, and resolutely fought the active battle of pandemic prevention and control. We strengthened pandemic prevention and control in key areas such as toll stations and service areas, strictly implemented preventive and control measures such as ventilation and cleaning, wearing of masks, temperature testing and code checking, and prepared all emergency supplies such as pandemic prevention materials, and made a sound stock of pandemic prevention and protection materials such as masks, gloves, hand sanitizer, disinfectant and protective clothing.

##### Case:

##### Anhui Expressway Carries the Responsibility of Prevention and Control

In October 2021, Anhui Expressway resolutely carried the responsibility of prevention and control. Each operation unit organized pandemic investigation, control of the park, disinfection of the premises, meals at stagger time, procurement of supplies and vaccination, strengthened publicity of pandemic prevention knowledge and psychological guidance for employees, and actively guided employees to reduce gathering and take good personal precautions. Toll collectors wear masks and gloves on duty, disinfect toll booths and CPU cards every day, cooperate with local government health and pandemic prevention departments to do a good job in controlling the pandemic, firmly build a security barrier for pandemic prevention and control, so as to safeguard the hard-won achievements in pandemic prevention and control.



Photo: Anhui Expressway Carries the Responsibility of Prevention and Control

## APPENDIX OVERVIEW OF ESG KPIs

### 10 APPENDIX OVERVIEW OF ESG KPIs

Category	ESG Indicators	Unit	2021
<b>Environment <sup>a)</sup></b>			
<b>Emissions</b>			
	<b>Types of emissions and respective emissions data</b>		
	Nitrogen Oxides(NO <sub>x</sub> ) <sup>b)1)</sup>	ton	4.13
	<b>Greenhouse gas emissions in total and density</b>		
	Total greenhouse gas emissions	ton-carbon dioxide equivalence	15,338.70
	Greenhouse gas emission density	ton-carbon dioxide equivalence/km (length of the highway in operation)	27.54
	Direct emission (scope 1) <sup>c)2)</sup>	ton-carbon dioxide equivalence	1,312.12
	Indirect emission (scope 2) <sup>d)3)</sup>	ton-carbon dioxide equivalence	14,026.57
	<b>Total hazardous waste produced</b>		
	Total amount of hazardous waste produced <sup>e)</sup>	kg	1,608.03
	Density of hazardous waste produced	kg/km (length of the highway in operation)	2.89
	<b>Total non-hazardous waste produced</b>		
	Total amount of non-hazardous waste produced	ton	1,479.87
	Density of non-hazardous waste produced	ton/km (length of highway in operation)	2.66
	Household waste	ton	917.04
	Kitchen waste	ton	562.83

## APPENDIX OVERVIEW OF ESG KPIs (Continued)

### 10 APPENDIX OVERVIEW OF ESG KPIs (Continued)

Category	ESG Indicators	Unit	2021
<b>Use of Resources</b>			
	<b>Total energy consumption and intensity</b>		
	Total energy consumption <sup>f,1)</sup>	tons of standard coal	2,685.29
	Energy density	tons of standard coal/ km (length of the highway in operation)	4.82
	Petrol consumption <sup>f,1)</sup>	liter	309,126.00
	Diesel consumption <sup>f,2)</sup>	liter	144,060.72
	Liquefied petroleum	ton	18.82
	Outsourced electricity <sup>g)</sup>	kWh	16,698,300.00
	Total resources consumption	ton	89,448.88
	Asphalt mixture (hot mix)	ton	73,341.80
	Cement concrete (new material)	kg	12,547,732.00
	Stone (new material)	kg	70,021.70
	Stone (reuse)	kg	0
	Snow-melting agent	kg	362,700.00
	Curing agent (bridge repair)	kg	12,303.00
	Paint	kg	1,594.00
	Steel	kg	3,112,732.00
	<b>Total water consumption and intensity</b>		
	Total water consumption	ton	281,368.90
	Water consumption intensity	ton/km (length of the highway in operation)	505.15
	<b>Total volume of packaging materials for use in finished goods</b>		N.A.

## APPENDIX OVERVIEW OF ESG KPIs (Continued)

## 10 APPENDIX OVERVIEW OF ESG KPIs (Continued)

Category	ESG Indicators	Unit	2021
<b>Society</b>			
<b>Employment</b>			
<b>Gender</b>	Total number of employees	person	2,058
	Male	person	1,080
	Female	person	978
<b>Employment type</b>	Employees of the parent company	person	1,388
	Employees of major subsidiaries	person	670
<b>Age</b>	35 year-old and below	person	1,010
	35–50 year-old	person	815
	50 year-old and above	person	233
<b>Region</b>	Anhui Province	person	1,987
	Other areas in China other than Anhui Province	person	71
<b>Gender</b>	Total staff turnover	person	54
	Turnover percentage of male employees	%	1.73%
	Turnover percentage of female employees	%	3.46%
<b>Age</b>	Turnover percentage of employees aged 35 and below	%	4.72%
	Turnover percentage of employees aged 35-50	%	0.37%
	Turnover percentage of employees aged 50 or above	%	0.43%
<b>Health and Safety</b>			
	Number of work-related fatalities	person	0
	Number of cases of work-related injuries	times	18
	Number of days lost due to work-related injuries	days	292



## APPENDIX OVERVIEW OF ESG KPIs (Continued)

## 10 APPENDIX OVERVIEW OF ESG KPIs (Continued)

Category	ESG Indicators	Unit	2021
<b>Development and Training</b>			
<b>Gender</b>	Total employees trained	person	2,034
	Percentage of male employees	%	49.66%
	Percentage of female employees	%	50.34%
<b>Employment type</b>	Percentage of employees of the parent company	%	69.71%
	Percentage of employees of major subsidiaries	%	30.29%
	Total average training hours	hour	16.97
<b>Gender</b>	Male	hour	17.02
	Female	hour	16.90
<b>Employment type</b>	Employees of the parent company	hour	8.86
	Employees of major subsidiaries	hour	33.75
<b>Supply Chain Management</b>			
<b>Number of suppliers by geographical region <sup>h)</sup></b>			
<b>Region</b>	Total suppliers	suppliers	52
	Number of suppliers within Anhui Province	suppliers	40
	Number of suppliers within Mainland China (other than Anhui Province)	suppliers	12
<b>Product Responsibility</b>			
<b>Number of products and service-related complaints received</b>			
	Complaints by providing related services	times	4
	Normal closure rate for complaints	%	100%
<b>Anti-corruption</b>			
<b>Number of corruption lawsuits filed or concluded</b>			
	Number of lawsuits filed or concluded	cases	0

## APPENDIX OVERVIEW OF ESG KPIs (Continued)

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### 10 APPENDIX OVERVIEW OF ESG KPIs (Continued)

#### *Notes*

- a) If indicators of the environmental category are not specified, the statistical categories are the indicator data generated or used by the own road sections of the Company;
- b) According to the actual situation of the Company's utility vehicles, the Company selected fuel emission factor which met with National-V standards, and the emission of nitrogen oxides decreased slightly;
- c) Greenhouse gases in scope 1 of indicators include direct emissions from gasoline, diesel, liquefied petroleum gas, etc.;
- d) Greenhouse gases in scope 2 of indicators include indirect emissions from outsourced electricity;
- e) Total amount of hazardous waste includes the total amount of waste generated in work such as lamps, batteries, and ink cartridges;
- f) Indicator total energy consumption includes the total use of gasoline, diesel and liquefied petroleum gas and purchased electricity, of which,
  - f,1) Gasoline consumption includes the use of gasoline on its own road sections and commissioned sections, the calculation scope of energy consumption and greenhouse gas emissions generated is the same as that of gasoline statistics;
  - f,2) Diesel consumption includes the use of diesel on its own road sections and commissioned sections, the calculation scope of energy consumption and greenhouse gas emissions generated is the same as that of diesel statistics;

## APPENDIX OVERVIEW OF ESG KPIs (Continued)

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### 10 APPENDIX OVERVIEW OF ESG KPIs (Continued)

#### *Notes (Continued)*

- g) Purchased electricity includes the electricity consumed in the office and is in the process of operation of the Company. The electricity consumed in the process of operation included electricity consumed by external units such as the Construction Project Office and the external joint road administration team;
- h) Indicator of the statistical scope of the number of suppliers by region includes only engineering suppliers determined through public bidding and does not include suppliers identified by non-bidding forms

#### **Standards for determining data**

- 1) Nitrogen oxides (NO<sub>x</sub>) emissions from gasoline and diesel are calculated with reference to the "Technical Guidelines for the Compilation of Emission Inventories of Road Vehicles (Trial Version)" (《道路機動車大氣污染物排放清單編製技術指南(試行版)》) issued by the Ministry of Environmental Protection;
- 2) The direct greenhouse gas emissions from gasoline, diesel, liquefied petroleum gas, etc. are calculated with reference to the "Compiling Guidelines for Provincial Greenhouse Gas Inventories" (《省級溫室氣體清單編製指南》) issued by the National Development and Reform Commission for climate change;
- 3) The indirect greenhouse gas emissions from outsourced electricity are calculated with reference to the "Provincial Greenhouse Gas Inventory Guidelines" (《省級溫室氣體清單編製指南》) issued by the National Development and Reform Commission for climate change. Among them, the electricity emission factor of the mainland area refers to the standard of the "2017 Emission Reduction Project China Regional Power Grid Baseline Emission Factor" (《2017年度減排項目中國區域電網基準線排放因子》);
- 4) The total energy consumption refers to the Chinese standard "GB/T 2589-2020 General Rules for General Energy Consumption Calculation" (《GB/T 2589-2020綜合能耗計算通則》) for standard coal conversion.