綠色動力
DYNAGREEN

綠色動力環保集團股份有限公司

Dynagreen Environmental Protection Group Co., Ltd.

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

Stock Code : 1330.HK & 601330.SH

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

2022

2022 ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") REPORT

CONTENTS

1. ABOUT THIS REPORT

1.1. Basis of Preparation

This is the seventh Environmental, Social and Governance ("ESG") report (the "Report") of Dynagreen Environmental Protection Group Co., Ltd. ("Dynagreen", the "Company", the "Group", "we" or "us"). The Report was prepared in accordance with the Environmental, Social and Governance Reporting Guide of Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"), and satisfies relevant requirements under the Self-regulatory Guidelines for Listed Companies No. 1 of the Shanghai Stock Exchange – Standard Operation. The contents of the Report give a disclosure of the Group's ESG-related strategic guidelines, management measures and performance. The Report will be published on the website of the Hong Kong Stock Exchange, the website of the Shanghai Stock Exchange and the official website of the Company.

1.2. About the Group's Business

As a pioneer in the industry of comprehensive governance of urban environment, Dynagreen focuses on recycling and renewable energy, and is committed to realizing the comprehensive utilization of waste resources through combination of engineering methods and technologies. Our scope of business covers the investment and construction, operation and management, technology research and development and supply of the core equipment relating to urban waste treatment projects, and other professional services including consultation in to provide comprehensive solutions for the urban waste treatment.

The urban waste treatment projects constructed with the investment of the Group are comprehensive waste recycling projects integrating waste collection, storage and transportation, incineration, power generation, heat supply, methane utilization as well as bricks manufacturing from bottom ash. The core facilities of waste incineration make use of local proprietary technologies, taking advantage from costs and technical adaptability. The environmental protection technologies, such as controlling the time and temperature in waste incineration as well as the strict smog and gas treatment technologies, ensure all the emissions including dioxin emissions are meeting the environmental emission requirements. The energy generated from waste incineration and the methane generated by the leachate is reused for power generation or heat supply, the bottom ash is used for making bricks, and the fly ash is subject to sanitary landfill after cement solidification. We truly realize the detoxification, reduction and recycling of waste through elimination of secondary pollution of domestic waste, which is conducive to carbon emission reduction.

1.3. Scope of the Report

The Report is an annual report. Unless otherwise specified, the time span is from 1 January 2022 to 31 December 2022 ("2022", the "Reporting Period" or the "Year"). The Report covers the information of Dynagreen Environmental Protection Group Co., Ltd. and its subsidiaries. The environmental information disclosed in the Report covers the Group's head office and 31 projects which are key pollution monitoring companies that were in operation throughout 2022 (located in Changzhou, Haining, Pingyang, Yongjia, Laizhou, Wuhan, Taizhou, Rushan, Anshun, Jizhou, Huizhou, Jurong, Bengbu, Tongzhou, Ninghe, Guangyuan, Miyun, Jiamusi, Shantou, Bobai, Zhangqiu, Sihui, Hong'an, Shishou, Dengfeng, Yichun, Jinsha and Fengcheng, respectively).

1.4. Reporting Principles

Materiality: We focus on high-importance issues to the Group and our stakeholders. We identify various material ESG issues with the management and staff as well as external stakeholders through communications and these material ESG issues are the basis of report preparation.

Quantitative: To set a measurable target and evaluate the ESG performance more objectively, quantitative information is provided appropriately. The Group used a data collection system to collect and monitor various environmental and social indicators regularly.

Balance: We review and disclose our achievements, areas for improvement and future action plans in the Report to provide our ESG performance impartially.

Consistency: Unless otherwise specified, the methodologies used in the Report are consistent with the prior year for comparisons of ESG data.

1.5 Source of information

The information and data used in the Report come from Dynagreen's official documents and reports, internal statistics and public information. The Company commits that there are no spurious records or misleading statements in the Report and is responsible for the authenticity, accuracy, and completeness of the Report.

2. ESG DEVELOPMENT STRATEGY OF THE GROUP

2.1. ESG Strategy of the Group

In the process of pursuing corporate sustainability, the Group has maintained profit growth and consistent improvement in comprehensive capacity based on considering its business objectives and market position. In the leading competitive fields and business environment for future expansion, the Group emphasizes internal management, customer management, personnel management, and market management, aiming at formulating a sustainable development plan with overall planning, long-term diversification and forward-looking vision.

Adhering to the idea of sustainable development, the Group regards "creating a better living environment" as its corporate mission, upholding the operation and management concept of "safe, environmentally friendly, civilized and effective". We highly valued safety and environmental protection work, and we expect to work together with customers, suppliers, employees, community residents and other stakeholders for mutual benefits, and to make contributions to social progress, economic growth, and environmental governance.

2.2 Statement of the Board of Directors

The board of directors of the Company (the "Board") as the highest governance body of the Group is responsible for ESG management and decision-making. The board of director takes comprehensive supervision of ESG management by specifying the development of ESG issues, formulating ESG strategies, regularly receiving ESG work reports from the management. Each year, the board of directors receives and reviews the ESG Report of the company at least once a year, and checks the implementation progress against the established ESG targets.

The Group conducts regular and irregular communications with various stakeholders through daily operations and specialized research, proactively listen to their opinions and suggestions and responds to their needs. During the Reporting Period, the Group identified our main issues based on its own business characteristics and the practical experience of its peers and responded to key issues. Regarding material issues such as environmental compliance, use of resources, response to climate changes, safe production, exhaust emissions, and rights and interests of employees, the ESG working group has conducted relevant research and carried out proactive management. The specific methods and results will include in this ESG report in details.

The Group has established ESG strategies and objectives to examine and manage the ESG impact and integrate the concept of sustainable development into relevant operations. The Group has set key environmental performance targets following the requirements of the ESG Reporting Guide of the Hong Kong Stock Exchange, covering air pollutants, safe production and other aspects. The board of directors has approved the setting of relevant ESG key performance indicators. The management of the Group regularly reviews the Company's progress in achieving the above objectives. For details of environmental key performance objectives, please refer to Appendix 2 to this ESG report, "the Table of Key ESG Performance Data of Dynagreen in 2022".

2.3 ESG Management Structure of the Group

Under the leadership of the board of directors, the management of the Group is responsible for implementing business ideas including production safety, compliance with environmental standards, mutual benefits as well as honesty and integrity, formulating policies relating to environmental and social governance, defining job duties and responsibilities, implementing specific measures and monitoring the implementation results.

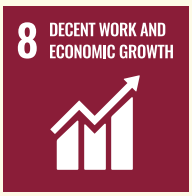
To ensure that Dynagreen integrates ESG-related matters into the Group's governance and decision-making process, the management of the Group has set up an ESG working group composed of managers from various departments of the Company to fully implement ESG strategy-related work. The members of the working group are composed of specialists from the Engineering Management Department, Operation Management Center, Technology Research and Development Department, General Management Department, Human Resources Department, Purchasing Department, Disciplinary Inspection Department, Board Office, etc., regularly assess ESG-related risks, and proactively communicate with stakeholders, to comprehensively promote and implement ESG – related work.

ESG Governance Structure of Dynagreen

Board of Directors of Dynagreen	It takes overall responsibility for the Group's ESG and oversees the sustainability and climate change risk management and performance of the Group. The board of directors is responsible for reviewing and approval of the Group's ESG strategy, objectives and related major policies and framework. The board of directors also regularly receives the report from the management on risks and opportunities about ESG and inspects its impact on the business.
Management of Dynagreen	It assists the board of directors to oversee the Group's overall risk management and governance issues such as: • To assess and review ESG-related problems, trends and development that may affect the business operations and performance of the Group, and provide suggestions for improvement. • To advise the board of directors on the objectives, strategies, priorities, measures, and indicators of the Group's ESG management.
ESG Working Group of Dynagreen	• It implements the ESG strategies, sets individual respective actions and goals, devises and implements related plans and policies. • It works with business units and departments regularly to collect data, track operational performance and help with the preparation of the ESG report.

2.4 Response to the Sustainable Development Goals of the United Nations

Dynagreen proactively responds to the Sustainable Development Goals (SDGs) of the United Nations, and is committed to taking sustainable development as the goal, further advancing the innovation of production methods, and promoting the development of sustainable industrialization. Based on its situation and from the perspective of practical actions, the Group identifies and responds to sustainable development goals that are closely related to the Group's business, to realize corporate support and contribution to sustainable development. Please refer to the figure below for specific goals and practices:

Sustainable Development Goals (SDGs) of the United Nations	Actions of Dynagreen
 **Goal 3: Good health and well-being** Ensure healthy lives and promote well-being for all at all ages	Guarantee the health and safety of employees and improve the working environment of employees
 **Goal 5: Gender equality** Gender equality is not only a fundamental human right, but a necessary foundation for a peaceful, prosperous, and sustainable world	Adhere to the labor principles of compliance, equality and diversity, and care for female employees
 **Goal 8: Decent work and economic growth** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Protect the legitimate rights and interests of employees and improve remuneration and benefits
 **Goal 12: Responsible consumption and production** Ensure sustainable consumption and production patterns	Formulate environmental and resource efficiency goals, and implement the concept of energy conservation and emission reduction in production
 **Goal 13: Climate action** Take urgent action to combat climate change and its impacts	Identify climate-related risks and opportunities and formulate climate change response measures

2.5 Participation of Stakeholders

Dynagreen highly values the communication with our stakeholders and continues to improve our communication channels. We fully incorporate the views of our stakeholders into the ESG management progress, thereby continuously improving the ESG management of the Group.

To effectively improve the pertinence and responsiveness of the Report and continuously improve the Company's ESG management, Dynagreen conducts research activities for a wide range of stakeholders every 2 to 3 years to comprehensively collect and understand the opinions of government, shareholders, employees, customers and other parties and their feedback to us to identify ESG material issues of Dynagreen. This year, we interviewed various departments to comprehensively collect their opinions and distributed online questionnaires to stakeholders. We believe that we can only get an understanding of the conditions of the market, economy, society, and environment and then realize the corporate mission of "creating a better living environment" through establishing smooth and effective communication channels with stakeholders.

The table below lists the identified major stakeholders, their concerns and Dynagreen's responses.

Stakeholders	Significance to Dynagreen	Issues of Concern	Dynagreen's responses
Shareholders/ Investors	Stakeholders who are concerned with the Company's operations and sustainable development	• Development plan of the Company • Legal and compliant operation • Return on investment	• Convene general meetings of shareholders every year • Update the company website and disclose business information • Maintain good profitability • Continuously improve the level of corporate governance
Government and regulatory authorities	Key stakeholders who are concerned with the compliance of economic, environmental, and social laws and regulations of Dynagreen and affect industrial development and policy promotion	• Compliance • Waste treatment • Stable power supply • Pollution prevention and control management • Economic growth • Payment of taxes on time	• Attend government meetings irregularly • Publish environmental emission data • Publish production safety data • Attend policy lectures and symposiums irregularly

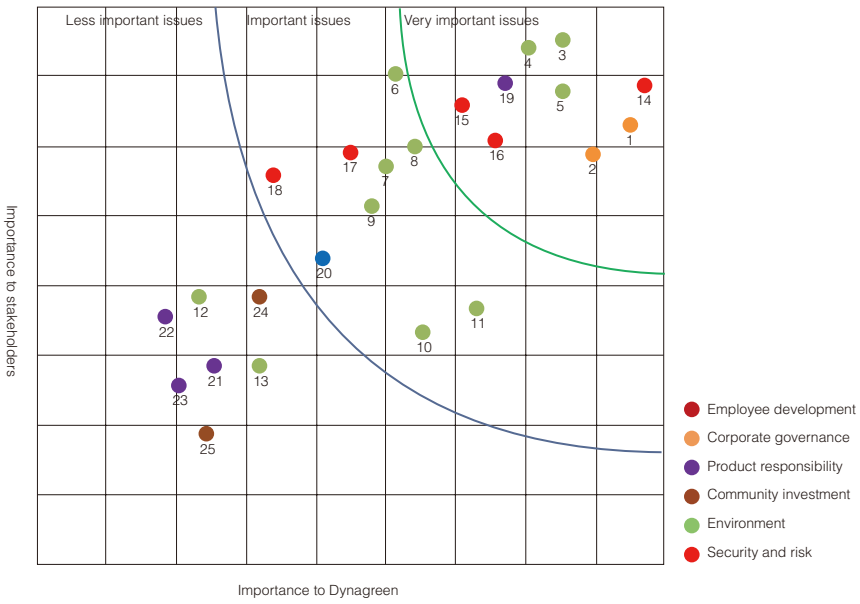
2022 ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") REPORT (CONTINUED)

Stakeholders	Significance to Dynagreen	Issues of Concern	Dynagreen's responses
Customers	Key stakeholders who are concerned with the stability of power supply, operation, product responsibility and environmental compliance of Dynagreen	• Power supply reliability • Integrity management • Waste treatment • Supplier management • Risk management and control • Environmental compliance	• Satisfy customer requirements effectively and timely • Dedicated to providing high quality customer service • Customer satisfaction survey
Employees	As an important human capital of Dynagreen, employees are key stakeholders of Dynagreen's continuous growth	• Workplace health and safety • Employee benefits • Good working environment • Career development	• Carry out employee activities • Pay attention to employee health • Provide training opportunities • Ensure a safe working environment
Community	Residents living around the plants of Dynagreen, stakeholders affected by the operations of Dynagreen	• Community participation • Environmental protection	• Sponsor community activities • Disclose pollutant discharge data • Participate in local community activities and volunteer services
Industry Associations	Stakeholders who jointly promote industrial development	• Circular economy • Waste management • New technology of power supply	• Join industry associations • Communicate and exchange operational results
Suppliers	Merchants who generate electricity and improve services for Dynagreen and are also stakeholders who need to work together to face ESG issues	• Supplier management • Corporate governance • Technological innovation	• Advise good supplier relationship • Conduct audits on suppliers irregularly and understand the operational performance of suppliers

2.6 Evaluation of Material Issues

Based on the results of the online questionnaire survey and research activities conducted by stakeholders, Dynagreen has formulated a materiality matrix. We have determined the environmental, social and governance issues that need to be disclosed in the Report through consideration of the relevance of each environmental, social and governance issue to the Group's operations and stakeholders.

After analysis of the survey results and adjustment to importance of peers, 9 issues were identified as "very important" areas in the materiality matrix, while the remaining 16 issues were identified as "important" and "less important" areas. The results of the assessment of materiality issues have been reviewed and approved by the board of directors.



No.	Issue	Importance	No.	Issue	Importance	No.	Issue	Importance
3	Environmental compliance		6	Dealing with climate changes		24	Charity	
14	Production safety		7	Sewage treatment		25	Community investment	
4	Exhaust emissions		17	Development and training		12	Biodiversity	
5	Energy conservation and emission reduction		8	Energy management		21	Intellectual property protection	
19	Product responsibility	Very important	9	Use of resources	Important	22	New technology innovation	Less important
2	Business ethics		10	Chemical management		13	Noise management	
1	Corporate governance		18	Good working environment		23	Information security	
15	Rights and interests of employees		20	Supply chain management				
16	Occupational health and safety		11	Waste management				

3. Environment

3.1. Environmental Management and Related Policies

Dynagreen regards environmental protection as the lifeline for the continuous operation of our projects and insists on implementing the corporate mission of "creating a better living environment". As a company engaged in environmental protection, we proactively practice the concept of sustainable development, constantly improve the internal environmental management rules, and optimize the environmental management system.

Adhering to the principle of "prevention as top priority and combining prevention with governance", Dynagreen implements "three simultaneities" for environmental protection facilities, conducts environmental supervision and management through government supervision, social supervision, and enterprise internal control, and has obtained environmental management system certification. We strictly supervise the emission and disposal of smog, wastewater, noise, stench, and solid waste of each of its operating project companies, to make sure the emission and disposal fulfilling national requirements to prevent environmental pollution. The Group also strives to reduce the emission of pollutants to safeguard the health of employees and promote safe and environmental business operation.


深圳市环通认证中心有限公司

环境管理体系认证证书

编号：02421E32011751R4S

绿色动力环保集团股份有限公司

（统一社会信用代码：91440300715270813Z）

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GB/T24001-2016/ISO14001:2015

对下属公司生活垃圾处理项目的投资和项目建设及其运营的管理及相关管理活动

We proactively respond to relevant national laws and regulations including *the Standard for Pollution Control on the Municipal Solid Waste Incineration* (《生活垃圾焚燒污染控制標準》) (GB18485-2104), *the Circular on Further Strengthening the Administration on Environment Impact Assessment of Biomass Power Projects (Huan Fa [2008] No. 82)* (《關於進一步加強生物質發電項目環境影響評價管理工作的通知》(環發[2008]82號)), *the Emission Standard for Odor Pollutants* (《惡臭污染物排放標準》) (GB14554-93), *the Emission Standard for Industrial Enterprises Noise at Boundary* (《工業企業廠界環境噪音排放標準》) (GB12348-2008), *the Integrated Wastewater Discharge Standard* (《污水綜合排放標準》) (GB8978-1996), *the Reuse of Urban Recycling Water – Water Quality Standard for Industrial Uses* (《城市污水再生利用工業用水水質》) (GBT19923-2005), *the Standard for Pollution Control on the Landfill Site of Municipal Solid Waste* (《生活垃圾填埋場污染控制標準》) (GB16889-2008), *the Standard for Pollution Control on the Storage and Disposal Site for General Industrial Solid Waste* (《一般工業固體廢物貯存、處置場污染控制標準》) (GB18599-2001) and *the Standard for Pollution Control on Hazardous Waste Landfill* (《危險廢物填埋污染控制標準》) (GB18598-2001). Meanwhile, we have formulated and strictly implemented *the Environmental Protection Management System of Dynagreen* and monitor the whole process of environmental protection during construction and production. We conduct independent monitoring in strict accordance with the requirements of *the Self-monitoring Technology Guidelines for Pollution Sources – General Rule* (《排污單位自行監測技術指南總則》) (HJ819-2017) to ensure that all monitoring data are qualified. We have applied for the pollutant discharge permit in accordance with *the Technical Specification for Application and Issuance of Pollutant Permit – Municipal Solid Waste Incineration* (《排污許可證申請與核發技術規範生活垃圾焚燒》) (HJ1039-2019). In addition, with the increasingly stringent emission standards for waste incineration power generation and the strengthening of law enforcement and penalties, we strictly update the existing regulations and standards in accordance with the new policies and laws related to the waste incineration industry each year and organize project companies to carry out interpretation training. During the Reporting Period, the newly introduced laws and regulations was *the Marking Rules for Automatic Pollutant Discharge Monitoring Equipment*.

We urge operating project companies to formulate environmental protection work plans, organize, and implement environmental protection and improvement arrangements in the production areas of enterprises. The president of the Group is the first person responsible for environmental management of the Group and the vice president responsible for operation is the person directly responsible for environmental management of the operating projects of the Group. The operation and management centre of the Group is the functional department for supervision of the environmental management of the operating projects of the Group and is responsible for the supervision and evaluation of the environmental protection work of each of the Group's operating project companies. Each of the operating project companies shall set up an environmental leading group comprising the general manager (as the group leader), the deputy general manager of production/director of safety and environmental protection, department managers, specialist engineers and shift chief operators, which specifies their respective duties in environmental management, to cover the responsibility system in every part of the production. The safety and environment department of a project company is responsible for the daily supervision of the environmental protection work of that project company to strengthen evaluation and accountability.

We have taken proactive control of various sources of pollution that may cause pollution to the environment to avoid environmental pollution accidents. Meanwhile, the Group also advocates its employees to comply with national regulations relating to environmental protection, performs its obligations in environmental protection and curbs any behaviours that pollute or damage environmental on time. We require our waste-to-energy power plants to conduct regular on-site inspections and unscheduled inspection on safety and environmental protection and environmental protection.

Operation in compliance with the laws and regulations relating to environmental protection is an important cornerstone of the waste-to-energy business of Dynagreen. The Group is well aware of the importance of compliance with national environmental laws and regulations, so it has always strictly regulated its own pollutant discharge management. All business departments earnestly implement the environmental protection policies formulated by the Group, to ensure compliant operation.

For details of the environment-related laws and regulations that have a significant impact on Dynagreen Group, please refer to "Appendix 3. Compliance with relevant laws, regulations and rules that have a significant impact on Dynagreen".

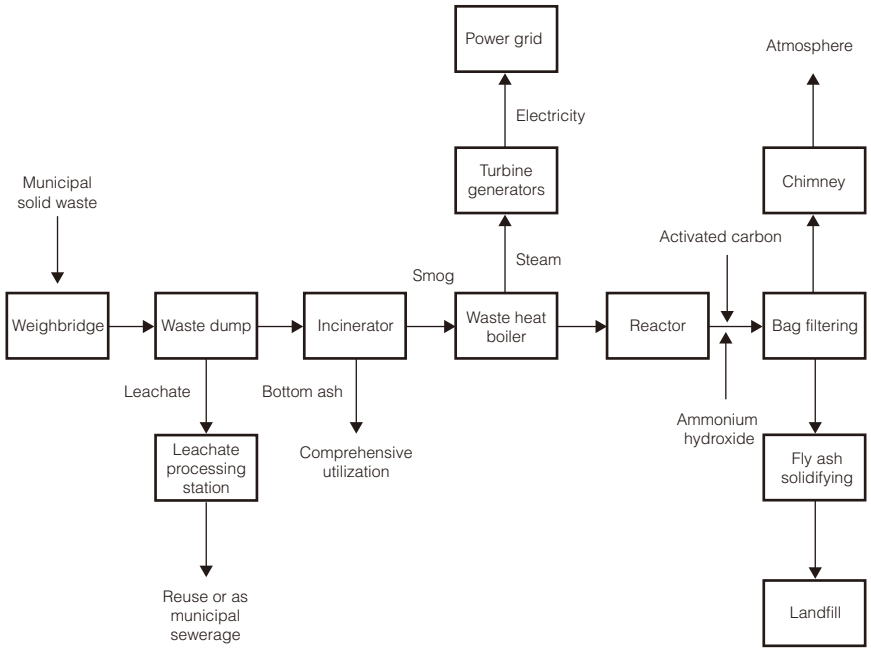
During the Year, the Group had no serious violations of environmental laws and regulations, nor did it receive any major complaints related to environmental protection.

3.2. Environmental Pollutants

The pollutants which are produced by the Group during waste treatment and incineration to affect the environment mainly include exhaust, wastewater (leachate from waste dump and sewage), solid waste (bottom ash and fly ash) and noise from operating equipment. To further consolidate environmental protection efforts, we adopt advanced pollution prevention and control technology and strict pollution prevention and control measures and have prepared internal standards for internal pollutant emission indicators and pollution source management initiatives.

The specific process of waste incineration is illustrated in the following diagram:

Specific Process of Waste-to-energy Business



3.2.1 Air Emission

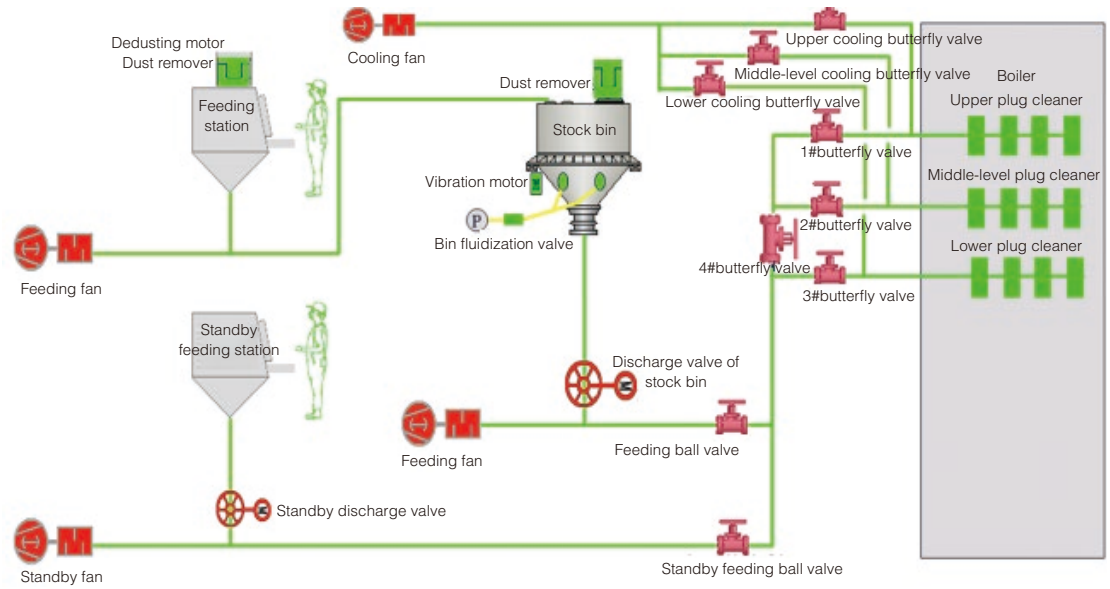
The waste gas generated from waste incineration comprises noxious gas, heavy metal, and particulates, and is also an important source of dioxin emissions. The main components of waste gas include smog, sulfur dioxide, carbonic oxide, oxynitride and hydrogen chloride and the odours from waste dump mainly come from ammonia and hydrogen sulfide.

To reduce the impact of air pollution and odour, Dynagreen proactively implements prevention and control measures. We require all project companies implement treatment process including desulfurization, denitration, adsorption of dioxin by activated carbon and bag filtering, and regularly maintain and update the environmental protection equipment and facilities to ensure that the emissions meet the environmental standards. Besides, the online monitoring system of the waste-to-energy power plants of the Group is interconnected with the monitoring system of the Ministry of Ecology and Environment of the PRC. We set LED screens at the gate of the waste-to-energy power plants to publicize the five pollution factors of particulate matter, sulfur dioxide, nitrogen oxide, carbon monoxide, hydrogen chloride of each incinerator and furnace temperature monitoring data. In order to further ensure that the discharge of dioxins meets the standards, we implement strict control over the discharge, and require the dioxin emissions of all projects to be lower than 0.1ng-TEQ/Nm^3 required by *the Standard for Pollution Control on the Municipal Solid Waste Incineration* (《生活垃圾焚燒污染控制標準》) (GB18485-2014). Meanwhile, before commencing commercial operation, the projects in trial operation must file an application with the competent administrative authority of environmental protection for environmental protection acceptance, which includes a dioxin emission inspection report prepared by a qualified third party. Dioxin emission levels for projects in commercial operation are also regularly inspected by such qualified third parties and the local environmental protection agency. Besides, we monitor the addition amount of activated carbon in real time and proactively implement technological transformation for the activated carbon addition system to ensure continuous and stable addition of activated carbon. During the Reporting Period, the Group passed the dioxin monitoring organised by the Ministry of Ecology and Environment of the PRC.

To ensure compliance in discharge, the project companies of the Group continue to improve the flue gas pollution treatment process. During the Reporting Period, we implemented ultra-low nitrogen oxide emission renovation projects for three waste incinerators in Changzhou City.

Case

We added an SER polymer denitrification system based on the origin SNCR. The SNCR+SER synergistic denitrification is a mixed denitrification method of SNCR and SER. The front end adopts the original SNCR denitrification method, and the rear end is added with the SER synergistic denitrification method to meet the current ultra-low emission requirements of nitrogen oxides, so that the NO_x outlet concentration is not more than 50mg/Nm^3. The SER polymer denitrification system has a simpler way of use and improves the denitrification efficiency. Meanwhile, the SER polymer denitrification system has small restrictions on site and space, and low energy consumption, which reduces the one-off investment of project and requires a low cost. In addition, the SER denitrification agent is safe, and no harmful by-products are generated since the reaction products are N_2, CO_2 and H_2O.



Process Flow Diagram

In response to the odours in the local regions, the project companies have taken measures to restrain odour emissions, including sealing the waste discharge area besides the discharge opening, installing deodorization devices and rerouting air from the waste storage dump to the incinerator for combustion to maintain negative pressure in the waste storage dump. To prevent the dissipation of odours emitted from leachate into the surrounding environment, we funnel leachate to a leachate treatment station for processing. The methane from the landfill of the Huizhou Project is collected for power generation, effectively controlling the problem of odour.

3.2.2 Wastewater Treatment

The wastewater content received by the plants of the Group is high and leachate emanates from stored waste. Wastewater in the form of leachate mainly comprises highly concentrated dissolved organic matter and inorganic ions, including large amounts of ammonia nitrogen, soluble cations, heavy metals, phenols, soluble fatty acid, and other organic pollutants. In addition, the waste unloading platform in project plants requires cleaning regularly, which generates wastewater. Chemical water desalination workshops produce acid and alkaline wastewater. The plants also produce a small amount of domestic sewage.

We have modified the leachate concentrate recirculation spraying hearth (滲濾液濃水回噴爐膛改造) to reduce wastewater production. Meanwhile, we usually adopt biochemical system, ultrafiltration (UF), nanofiltration (NF), reverse osmosis and other technologies for wastewater treatment. Most of our recycled and reclaimed wastewater from projects is used as cooling water for waste-to-energy facilities or used for landscaping in the plant site, reducing sewage emitted to the municipal pipelines. In addition, through technical transformation, the concentrated water reprocessing system (DTRO) was added to further reduce the volume of concentrated water production. Some of the Group's projects, such as Huiyang Environmental Park (惠陽環保園) in Hui Zhou and the project in Tongzhou attain "zero emission of sewage" by reusing treated waste water. At the same time, we engage a third party for wastewater treatment to ensure that the sewage emitted by us to the municipal sewage pipelines complies with applicable emissions standards. The emission limit values of leachate strictly comply with the environment impact assessment report and approval. The waste water connecting to pipelines shall be subject to level III discharge according to *the Integrated Wastewater Discharge Standard* (《污水綜合排放標準》) (GB8978-1996) in China and shall be connected to sewage treatment plants for further biochemical treatment. Third-party wastewater monitoring is generally conducted once a quarter. For the real-time monitoring of wastewater by project companies, it is necessary to determine whether to install the corresponding online instrument according to the actual situation of the environmental impact assessment and approval requirements, and the tail water disposal method (reuse or discharge). During the Year, no excessive discharge was identified in on-site monitoring.

3.2.3 Waste Management

Solid Waste Treatment

The solid waste produced by the waste-to-energy projects of the Group mainly includes bottom ash and fly ash. As a responsible waste-to-energy service provider, we handle our waste carefully and strive to minimize the environmental impacts. Therefore, the Group closely monitors our waste generation and treatment.

Fly ash and bottom ash treatment measures

Fly ash treatment measures	The fly ash generated after waste incineration is subject to collection in a closed way and then sent to landfills by transportation units with corresponding transportation capacity after it meets the standards under *the Standard for Pollution Control on the Landfill Site of Municipal Solid Waste* (《生活垃圾填埋場污染控制標準》) (GB16889-2008) after solidification with chelating agent and cement.
Bottom ash treatment measures	The bottom ash produced after the incineration of municipal waste is classified as ordinary industrial solid waste. After cooling, magnetic separation and deferrization, the bottom ash is stored in a room and then delivered by disposal units to a third-party company for brick making. The bottom ash storage area is equipped with anti-seepage measures. Meanwhile, we inspect bottom ash every day and make proper inspection records to ensure that the ignition loss rate of bottom ash is lower than 5%.

In addition, the output of fly ash and bottom ash are weighted and recorded by the Group every day to ensure that the fly ash and bottom ash are stored in a sealed environment in the transportation process without any dispersal and keep the transportation channels for fly ash and bottom ash clean and unobstructed. Transfer forms are issued upon the final treatment of fly ash. Records are made for the comprehensive utilization of bottom ash. Meanwhile, in addition to bottom ash and fly ash, the leachate is generated when the waste received by each project is stored in the waste store, and the sludge is generated during the process of leachate treatment. The sludge is disposed by the sewage treatment system of project companies and returned to the waste store after pressure filtration and dehydration, then independently incinerated in the project after mixing with the waste evenly.

Hazardous Waste Treatment

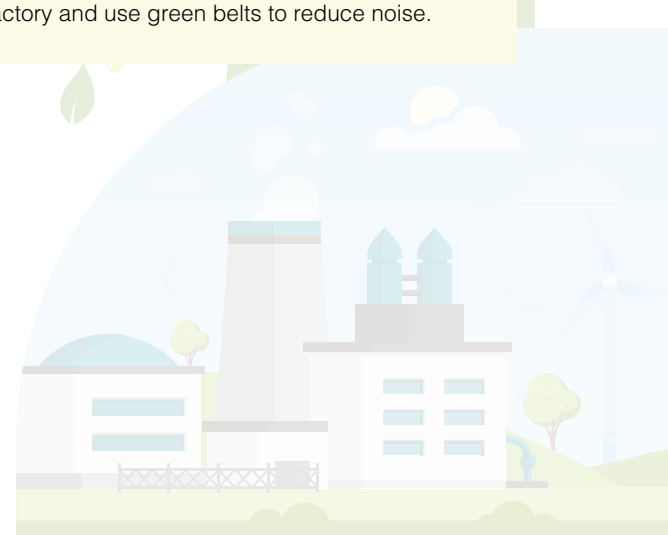
The Group stores hazardous wastes including waste lubricating oil and lubricants of equipment in accordance with *the requirements of the Standard for Pollution Control on Hazardous Waste Storage* (《危險廢物貯存污染控制標準》) (GB18597-2001), and the wastes are then handled by qualified processing contractors for treatment.

3.2.4 Noise Prevention and Control

The Group's sources of noise pollution mainly include the turbine generators and other ancillary facilities. We are always concerned about the impact of noise during construction and conduct noise monitoring on the noise and major sources of noise pollution at the factory boundary, factory zone and living area in strict accordance with *the Emission Standard for Industrial Enterprises Noise at Boundary* (《工業企業廠界環境噪音排放標準》) (GB12348-2008). At the same time, to reduce noise pollution, we have set up noise prevention and control measures to effectively strengthen noise management. During the Reporting Period, the monitoring cycle and monitoring results were all in compliance with *the Emission Standard for Industrial Enterprises Noise at Boundary* (《工業企業廠界環境噪音排放標準》) (GB12348-2008) and the national requirements.

Noise prevention and control measures

1. We control noise pollution from the source. When purchasing equipment, we set restriction requirements on suppliers, and select and adopt mechanical equipment with advanced technology, low noise and vibration reduction;
2. We control the noise pollution of high-noise equipment, and take measures such as installing sound-proof doors and windows as well as mufflers;
3. We reduce the impact of noise on the surrounding environment through reasonable layouts to make full use of the sound insulation of buildings in the factory and use green belts to reduce noise.



3.2.5 Environmental Emission Data

During the Year, the Group's overall environmental emission data and compliance operations are detailed in the table below:

Environmental emissions (Project companies) *	Unit	2022*	2021	2020
Total sewage discharge (The total sewage discharge to the outside of operating sites)	tons	708,278	416,006	111,474
Total COD emissions	tons	21	35	7
Exhaust emissions				
Nitrogen oxide	tons	4,799	4,640	3,355
Sulphur dioxide	tons	922	721	512
Particulates	tons	125	130	89
Hydrogen chloride	tons	589	492	384
Solid hazardous waste (fly ash chelates)	tons	353,242	311,367	222,256
Liquid hazardous waste (waste lubricating oil, lubricating oil, acid sludge, waste mineral oil, etc.)	tons	27	31	25
Solid hazardous waste (slag and paper)	tons	2,707,064	/	/
Emissions exceeding environmental protection standards **	times	1	0	0
Fines and prosecutions due to noncompliance with environmental protection laws and regulations ***	times	2	0	0

* Waste discharge has increased due to the increase of projects.

** On 31 March 2022, Zhaoqing Boneng Renewable Energy Power Generation Co., Ltd., a controlled subsidiary of Dynagreen, received an environmental protection fine from Zhaoqing Ecological Environment Bureau, pursuant to which since Sihui Domestic Waste Harmless Landfill under its entrusted operation discharged air pollutants exceeding standards, Zhaoqing Ecological Environment Bureau imposed a fine of RMB120,000 on it according to Article 99 *of the Law of the People's Republic of China on the Prevention and Control of Air Pollution* and *the Applicable Rules on Discretion over Administrative Penalty in respect of Environment of Zhaoqing City (Revised in 2018 Edition)*.

*** On 7 December 2022, Yongjia Dynagreen Renewable Energy Co., Ltd., a controlled subsidiary of Dynagreen, received a notice of administrative penalty from Yongjia Ecological Environment Bureau. As Yongjia Company failed to record hazardous wastes generated in 2021 faithfully, according to paragraph 13 in clause I under Article 112 of the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste and the Standard Regulations on Discretion over Administrative Penalty in respect of Ecological Environment of Zhejiang Province*, Yongjia Company was fined RMB100,000.

In addition, the amount of wastewater, waste gas and waste discharges generated by the Group's waste treatment and power generation business depends on the composition and weight of waste recovered from the city, which is beyond the Group's control. Therefore, it is temporarily impossible to formulate pollutant emission reduction targets.

3.3. Use of Resources

3.3.1 Water Consumption

Water is one of the major natural resources used by the Group. For our waste-to-energy business, a large amount of water is required to produce steam, which drives the turbine generator to produce electricity. Therefore, saving the use of water resources and improving the utilization efficiency of water resources have a significant impact on the development of the Group. With the goal of saving water, we regularly carry out clean production, to reduce the water consumption rate per unit of power generation in each project plant and recycle wastewater after treatment to reduce the consumption of water resources. The head office and project companies of the Group have no difficulty in obtaining water.

Case share

➢ Bengbu Project adopts process circulating water

In 2022, the plant of Bengbu Project adopted the process of recycled circulating water and used the effluent from sewage treatment facilities as cooling circulating water. The water quality complied with the Water Quality Control Standards for Reclaimed Water Used as Cooling Water. Therefore, the plant saved 51,000 tons of tap water throughout the year and reduced the cost of tap water by about RMB99,000.

3.3.2 Power Consumption

As a renewable energy enterprise engaged in the waste-to-energy business, electricity is the energy generated during the operation of our project plants. Therefore, the power consumption of the Group's plants mainly comes from self-generated electricity, and the proportion of externally purchased power is very small. Each plant of the Group will carry out differentiated construction according to the location of the project to reduce energy consumption. For example, the plants in northern China use power generation steam for circulating heating and no air conditioners are installed. To reduce costs and increase efficiency, the Group has established an appropriate power consumption rate in the plants of operating projects and adopted a series of management measures, such as boiler renovation, equipment maintenance and management, etc., striving to improve the power generation efficiency and reduce the power consumption rate of the plants, to provide the society with more renewable energy.

Case of Improving Power Generation Efficiency in Plants

- **Bengbu Project completed boiler renovation**

  ✓ **Renovation of hanging panel for the second flue of boiler:** it reduces the temperature of the flue gas before the superheater from 640℃ to 586℃ and the corrosion of the high tube row. The thermal efficiency of the boiler was increased from 81.3% to 82.2%, and the evaporation capacity of the boiler increased from the original 52.5t/h to 53.1t/h. The improvement of the adaptability of the waste calorific value of the boiler through renovation resulted in better economic benefits.

Case of reducing power consumption rate of plants

- **Huizhou Project reduced the loss of power generation and distribution equipment**

  ✓ **Power generation equipment:** Blocking measure was taken for the wind-leakage generator to effectively ensure the circulating air-cooling wind pressure, and the operation and maintenance personnel were required to clean the air-cooling chamber and various parts of the generator during the generator outage to improve the heat dissipation effects of the generator;

  ✓ **Power distribution equipment:** Regular cleaning was conducted for the fan filter screen, the air inlet screen of the inverter as well as the fan blades of the power distribution cabinet in the flue gas distribution room, aim to reducing the loss of heat dissipation equipment and improve the heat dissipation effects of power distribution facilities;

  ✓ **Electric equipment:** Routine maintenance was conducted for the motor during power outage, including dust cleaning for the motor fan, bearing lubrication, etc., to reduce wind friction loss; the switching time and lighting range of the street lights in the plants were reasonably set to avoid lighting in the power distribution room overnight or full lighting in the boiler room; regular maintenance was carried out for the air conditioners, including cleaning the filter screen of the indoor unit, the radiating fin of the outdoor unit, and addition of refrigerant for the air conditioners, etc., to ensure the efficient operation of the air conditioners.

The office areas and dormitories of the Group also take a variety of targeted energy-saving measures, such as setting the central air conditioners at 26°C uniformly, replacement of environmentally friendly and energy-saving lamps in an all-round way, and encouraging employees to turn off lights, etc., to further reduce electricity consumption in living areas.

In 2022, the comprehensive power consumption rate of the Group's plants was 17.22%, representing an increase of 0.72% from 16.5% for 2021. The slight increase in the power consumption rate of plants was mainly because that firstly, the capacity utilization rate decreased, and the growth rate of electricity generation was slightly lower than that of self-use electricity. Secondly, part of the calorific value of waste combustion was used for steam supply.

3.3.3 Fuels and Others

The fuels consumed by the Group are mainly natural gas and diesel. Natural gas is used for boiler combustion, and diesel is used for boiler combustion, mechanical equipment, and vehicles. The Group proactively conducts daily maintenance to ensure that the production equipment is in good operating conditions to reduce waste of fuel. Meanwhile, the Group actively response to national call, takes the initiative to introduce and use new energy vehicles, most forklifts in the power generation plants consume electricity, and the number of new energy vehicles is also increasing.

In addition to the use of fuel, the Group has also taken a series of saving actions in accommodation and office such as:

✓ For the self-owned canteens of the project companies of the Group, we promote the "empty plate campaign" to reduce food waste.

✓ For office paper, we use special wastebaskets to collect used paper so that non-confidential paper can be recycled and used on both sides.

✓ For the Company's printers, we implement hierarchical management of colour printing authority to reduce waste toner cartridges and waste ink boxes.

3.3.4 Resources Use Data

During the Year, the overall resources use data of the Group are detailed in the table below:

Use of resources (The Group's head office)	**Unit**	**2022**	2021	2020
Electricity consumption at the Group's head office	kWh	223,864	236,669	221,419
Water consumption at the Group's head office	tons	3,595	2,702	2,813

Use of resources (project companies)	**Unit**	**2022**	2021	2020
Waste treated	tons	11,312,400	9,705,956	7,841,291
Electricity generated	'0,000 kWh	417,686.35	378,468	305,471
Electricity consumption at plants	'0,000 kWh	71,935	62,998	56,535
Water withdrawal	tons	17,838,242	15,083,934	12,177,723
Natural gas for boilers	cubic meter	391,048	436,611	134,671
Diesel for boilers	tons	7,974	5,882	6,695
Diesel for machinery and vehicles*	tons	203.26	71	127

* As part of the fuel for the project is subject to secondary transportation in the factory, the diesel consumption of vehicles increases significantly.

3.4. Dealing with Climate Changes

3.4.1 Greenhouse Gas Emissions

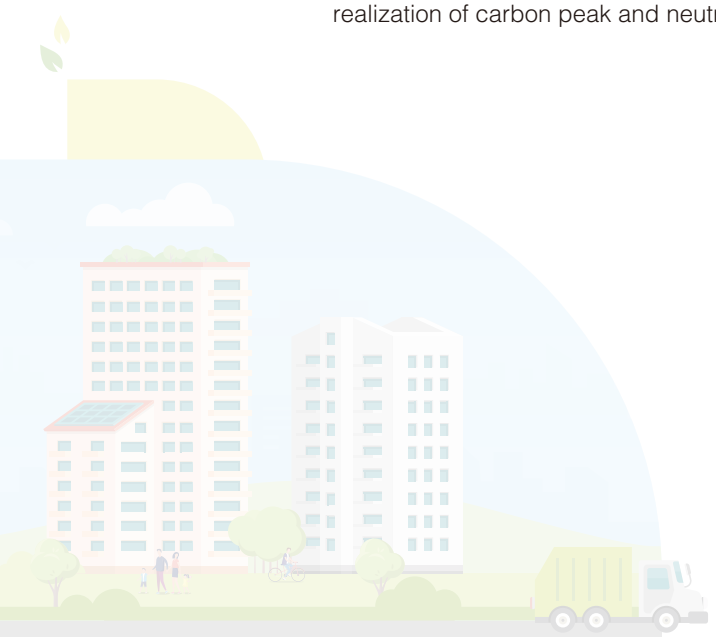
The Group is mainly engaged in the waste-to-energy business, domestic waste is the main fuel for power generation, and the green power generated is renewable. The industry is featured by circular economy and sustainable development. Dynagreen helps the society reduce greenhouse gas emissions through the operation mode of waste recycling for power generation and implements the national carbon peak and neutrality goals.

During the Year, the Group carried out accounting of greenhouse gas, and mainly collected and calculated the carbon emission data generated by energy consumption in offices and project plants. Within the scope of data collection, the Group's greenhouse gas emissions mainly come from combustion of fuels in stationery sources under Scope 1, followed by power consumption of equipment under Scope 2.

During the Year, the specific greenhouse gas emission data of the Group are shown in the table below:

Greenhouse Gas Emissions	Unit	2022
Scope 1		
Fuel combustion (natural gas and diesel)	Tons of carbon dioxide equivalent	25,911
Scope 2		
Purchased electricity (head office in Shenzhen)	Tons of carbon dioxide equivalent	180.03
Total emissions	Tons of carbon dioxide equivalent	26,091
Total emission intensity	Tons of carbon dioxide equivalent	5.71

In addition, the waste-to-energy technology can significantly reduce greenhouse gas emissions compared with traditional landfilling and composting processes. Although waste incineration produces carbon dioxide, it can significantly reduce the methane produced by traditional waste disposal methods, thus effectively alleviating the greenhouse effect for the society. During the Year, compared with traditional waste disposal processes, the waste-to-energy business of Dynagreen can reduce greenhouse gas emissions by 3,995,192 tons, and the Group's business has positive benefits for the realization of carbon peak and neutrality goals.



3.4.2 Analysis on Climate Risks

During the Year, in accordance with the ESG Reporting Guide and the latest disclosure requirements under the Listing Rules of the Hong Kong Stock Exchange, the Group identified climate-related risks based on its own characteristics with reference to the framework of the Task Force on Climate-Related Financial Disclosure (TCFD) for the first time, and assessed various risks and analysed their potential or actual impact on the Group's business, operation and finance, so as to formulate targeted countermeasures in the future.

The Group's short, medium and long-term climate risks include physical risks and transition risks. The physical risks listed in the table below are mainly divided into acute and chronic risks. Transition risks mainly include policy and legal changes, reputational impacts, and technological innovation risks.

Classification		Time range	Climate-related risks	Potential impact on the Group
Physical risks	Acute	Medium and long term	Frequent extreme weather events such as high temperature, heavy rain, typhoon, flood, thunderstorm, and sandstorm	• Health and safety hazards increase and employees suffer from extreme weather, resulting in absence from work due to injury or illness, reduced production capacity and increased labor management costs
	Chronic	Long term	Intensified changes in climate patterns such as on-site hydrological characteristics and seasonal precipitation	• Increased water consumption pressure and insufficient water supply in the circulation pipe network lead to increased operating costs
		Long term	Intensified global warming	• Damage to production facilities results in increased production costs • Waste collection and transportation are hindered, and raw materials for power generation are in short supply, resulting in a decline in production capacity • Power generation efficiency decreases, resulting in a decrease in revenue • Pressure on vegetation environment increases, resulting in reduced flood control capacity • Average temperature rises, leading to intensified impact of waste odour

Classification		Time range	Climate-related risks	Potential impact on the Group
Transition risks	Policy and legal changes	Short term	Increased carbon emission pricing	• Compliance costs increase
		Short term	Intensified obligations on carbon emission disclosure	
		Short and medium term	More stringent regulation over pollutant emission	
	Technological innovation	Medium and long term	Costs of transitioning to low-emission technologies	• Early phase-out of high energy consumption/high pollution discharge facilities • Increase in research and development spending on new production technologies

3.4.3 Climate Risk Response

Based on the identified climate risks and impacts, the Group takes targeted responses to various controllable risks in physical risks and transformation risks, and is committed to reducing its negative impact on business through climate risk management, further improving development resilience, and seizing the opportunities in development to create a sustainable development model.

Physical Risk Responses	
Increased health and safety hazards	• Formulate production emergency plans, pre-arrange corresponding production and operation plans for various extreme weather, and reserve emergency materials in advance; • Regularly carry out safety training and emergency drills to improve employees' ability to prevent and deal with accidents; • Take high temperature and heatstroke prevention measures, and provide high temperature subsidies, cooling measures, etc. for employees; • Adjust the working hours of employees on time, and purchase personal safety insurance for them to get financial compensation in case of safety accidents.
Increased water consumption pressure	• Sewage recycling and zero-discharge technologies are adopted in the project plants to relieve pressure on water consumption in business, e.g.: ➢ Reduce concentrated water production through technical transformation; ➢ Recycle production wastewater as boiler cooling water and greening water; ➢ Recycle equipment cooling water
Damages to production facility	• Carry out daily maintenance and inspection of production facilities to ensure their good operation conditions and strengthen the ability of production facilities to cope with extreme weather • Purchase natural disaster insurance for production facilities and other assets, to get corresponding compensation if the production facilities are damaged due to extreme weather
Decreased flood protection ability of vegetation	• Give full consideration to the impact of extreme weather in the early stage of project, and strengthen the flood control capacity of project from the aspects of plant site selection, layout planning, process facilities and architectural design
Intensified impact of waste odour	• Adopt a series of waste odour control measures, e.g.: ➢ Install deodorizing devices in areas such as waste discharge opening; ➢ Maintain negative pressure for the waste pool to prevent odour from escaping; ➢ Install methane collection and treatment devices at landfill sites

Transition Risk	Responses
Increased compliance costs	• Pay Real-time attention to the changes in laws, regulations and policies related to the Group's business, strengthen communication with the regulatory authorities, to meet the requirements of policy changes, and formulate reasonable response plans in a timely manner; • Carry out collection and calculation of carbon emission data
Early phase-out of high energy consumption/ high pollution discharge facilities	• Promote production technologies featured by cost reduction and efficiency increase, energy saving and emission reduction, and introduce new environmental protection equipment and plant resource/energy monitoring system, to reduce the consumption of resources in business and the impact on the environment
Increased research and development spending on new production technologies	• Promote development with science and technology and promote production with innovation; proactively carry out the application and transformation of scientific research results, use new production or environmental protection technologies to improve waste-to-energy efficiency and reduce pollutant discharge, and reduce the proportion of research and development expenditure and environmental protection investment by increasing operating income

3.5. Development of New Environmental Protection Technologies

The Group firmly believes that innovation in environmental technology will help consolidate the Group's leading position in China's waste-to-energy industry. The development of new technologies can not only reduce the negative impact of business on the environment, control the discharge of environmental pollutants, but also optimize the operation mode of solid waste treatment.

During the Year, we mainly completed the following optimization works related to waste gas treatment technologies:

✓ Based on existing application projects, we optimized and improved the dioxin online warning and intelligent control technology to provide technical support for the environmental protection operation of project companies. The technology won the 2022 second prize of scientific and technological application of China Association of Urban Environmental Sanitation.


中国城市环境卫生协会科学技术奖

获奖证书

项目名称：一种垃圾焚烧发电厂二噁英排放在线预警与控制技术

获奖等级：科技应用二等奖

获奖单位：绿色动力环保集团股份有限公司

证书号：2022-03-B01-D01

Certificate of Second Prize of Scientific and Technological Application

✓ We increased efforts for the development and research of flue gas treatment process and flue gas recirculation process and carry out experimental implementation to improve the comprehensive thermal efficiency of waste-to-energy power plants and provide technical basis for energy saving and emission reduction.

In the future, the Group will continue to implement the research and development of environmental protection technologies, and continuously optimize and perfect the existing pollution control technologies and carry out new technology research through the formulation of feasible work plans.

2023 work plan on research and development of environmental protection technologies	• Continue to improve the design and optimization scheme of the self-developed large-scale multiple drive expeller grate waste incinerator series products and improve and promote the application based on the test of the dioxin online warning and intelligent control technology of Changzhou and Pingyang Projects.
	• Make continuous improvement based on efficient integrated flue gas treatment and flue gas recirculation tests carried out in Rushan project and promote the application in other projects in due course.
	• Discuss the research and development, design and test of 100-150 tons of small waste incinerators and integrated flue gas treatment equipment according to the national policy and the business development of the Group.
	• Improve the polymer denitrification technology in incinerators and promote its application, and carry out technology research and development in respect of intelligent management of waste incineration, dioxin online warning and intelligent control, treatment and comprehensive utilization of fly ash, efficient long-term operation technology, high-temperature anti-corrosion of boiler, hydrogen production with waste, etc.

4. SOCIETY

4.1. Society Related Policy

As a responsible enterprise, we continue to fulfill our social responsibilities as a corporate citizen. Over the years, with care for every employee, we attached great importance to safety management, insisted on integrity management, and paid attention to product responsibility management. We cooperated with suppliers to pay attention to ESG – related work, proactively responded to the needs of the public, and continued to promote diverse community activities. In strict accordance with the corresponding laws and regulations, we formulated corporate social responsibility policies, and made continuous exploration and optimization on the existing basis.

4.2. Health and Safety

The Group advocates safety first, and regards the provision of a safe working environment for employees as one of its primary responsibilities. Upholding the operation concept of "safety, environmental protection, civilization, and efficiency" and the principle of "protecting personal safety, protecting power grid and protecting equipment", we implement the safety production policy of "safety first, prevention as top priority, and comprehensive governance".

The Group has strictly abided by the Safety Production Law of the People's Republic of China and updated the ISO45001: 2018 occupational health and safety management system certification. At the same time, we have formulated the Key Points of Safety and Environmental Protection Work of *Dynagreen Environmental Protection Group Co., Ltd.* in 2022, and revised and issued the *Safety and Civilized Construction and Environmental Protection Management System for Construction Projects of Dynagreen Group*. The Department of Safety and Environment has been established to regulate the Group's safety management in terms of safety tool management, temporary power consumption management, safety accident management, chemical hazard management, accident emergency plan, and management of major sensitive facilities in accordance with the relevant national regulations on safety production.

We attach great importance to the configuration and maintenance of safety facilities, and organize a monthly inspection of fire-fighting equipment. At the same time, in order to ensure that employees are proficient in fire-related knowledge and operational skills, we actively participate in fire drills in the building where the Company is located, learn how to use fire extinguishers. Relevant personnel attend safety training organized by the Human Resources Department to obtain certificates after passing assessment. Besides, for operators of fire-fighting facilities, we have strengthened the investigation of the personnel's certificates to find out those without certificates and make rectifications in a timely manner in strict accordance with the local laws and regulations and the regulations of the competent fire department, to ensure compliance with laws and regulations in operations. For project companies without any personnel holding certificates, we will organize relevant personnel to participate in fire-fighting skills training in batches, and ensure that no less than eight personnel obtain training completion certificates. For project companies with certificates of completion, we will keep track of the opening process of the local fire-fighting examination system, and arrange relevant personnel to apply for the qualification certificate for fire-fighting facilities operators in a timely manner.

Meanwhile, we pay attention to project safety management. We have established a safety production responsibility system, to comprehensively supervise and manage safety production from all stages, and conduct investigation, risk assessment and analysis, and hazard source identification of all construction sites.

Project Construction PFIvash	Troubleshoot all construction sites, carry out risk evaluation and analysis and identify sources of hazards; Adopt prevention and treatment solutions for major construction procedures and implement appropriate emergency measures in order to safeguard construction safety; For the subcontractors involved in the design and construction work for our projects, the Group has established clear standards for them to follow when undertaking the Group's projects; The Group also has specific technological requirements that must be met by project contractors under the supervision of the Group's specialized project engineers.
Project Operation Phase	Production safety rules and procedures for incident inspections and exception management, which establish a clear internal structure with detailed responsibilities of each department; Regular safety inspection system with the preparation of safety monthly reports to evaluate the monthly production safety records and set up the safety target for the next month based on the completion status of safety target in the preceding month; Regular safety education and training system. During the Year, the Group organised the main leaders and safety management personnel of project companies to attend the training on certificates of safety management organised by the local emergency management agency to ensure that the personnel of project companies have the necessary knowledge of operation safety; Organised project leadership and members to sign the annual Responsibility Documents of Safety and Environmental Protection.

In addition, during the outbreak of pandemic, we strictly implemented the pandemic information reporting system, enforced the recording and approval of personnel leaving the factory, and did a solid job in pandemic prevention and control. For strengthening the access management of personnel and vehicles, we took measures such as temperature check and registration for all employees and waste truck drivers. Meanwhile, we regularly distributed medical masks to employees and carried out disinfection in plants, workshops, dormitories and canteens.

Dynagreen has always adhered to the concept that "inadequate training is a major safety hazard". In order to further strengthen safety production and improve employees' safety awareness, we proactively carry out corresponding safety training courses and achieve full coverage of training. To ensure the quality of training, we have formulated assessment standards and issued certificates uniformly.

Case:

On 24 May, the Safety and Environmental Supervision Department and the Operation Department of Sihui Company of Dynagreen jointly organized the professional training on Prediction of Plant Power Outage Accidents and Guidance on Learning the Use of Igniters. All trainees learned the steps and essentials of the accident emergency plan as explained by the safety engineer of the Safety and Environmental Supervision Department on the situation of plant power interruption accident at the roundtable meeting. After the training meeting, the manager of the operation department gave an on-the-spot lecture and guided the operation of igniter, which improved the standard requirements on the use of igniters.

Case:

On 3 August, the Safety and Environmental Supervision Department and the Operation Department of Taizhou Company of Dynagreen jointly organized professional safety management training on the Interpretation of the Safety Production Law. Through the on-site training by the safety engineer from the Safety and Environmental Supervision Department, all trainees systematically studied the laws and requirements of safety management and strictly abided by laws and regulations, to improve the theoretical thinking and management awareness of daily safety management.

In the recent three years, the Group did not record any work accident or violate any law or regulation relating to the health and safety of employees.

Health and safety data	**2022**	2021	2020
Number of work-related fatalities	0	0	0
Number of work-related injuries	0	0	0
Lost days due to work injury	0	0	0
Fines and prosecutions due to non-compliance with laws and regulations related to health and safety	0	0	0

4.3 Employment

4.3.1 Employee Recruitment and Benefits

Based on our own development strategy and actual situation, the Group has established and implemented a fair, just and open human resource management policy, and determined personnel management plan and work requirements from multiple dimensions. The Group has formulated a series of written management systems, such as the *Selection and Recruitment System of Employees* (《員工選聘錄用制度》), *the Management Measures on Recruitment and Entry* (《招聘及入職管理辦法》), *the Training Management System* (《培訓管理制度》), *the Appraisal Rules for New Employees during Probation Period* (《新員工試用期考核細則》), *the Management Measures on Labor Contracts* (《勞動合同管理辦法》), *the Remuneration Management System* (《薪酬管理制度》), *the Attendance and Vacation Management System* (《考勤及休假管理制度》) *and the Management System on Employee Resignation* (《員工辭職管理制度》),, to control the human resources of the Group from the processes of employee introduction, development, use, and exit in a scientific and reasonable way, and simultaneously optimized the talent management model to create a high-quality management system in terms of talent recruitment, promotion appraisal, remuneration and benefits and talent retention.

- *Talent recruitment*

  The Group will conduct talent recruitment through social recruitment and campus recruitment based on the actual situation of annual work goals, project progress, and job vacancies, to continuously introduce middle-level management personnel and technical backbones and effectively supplement officers, to ensure the reserve of outstanding employees. In 2022, the Group and its subsidiaries planned to recruit 762 from the public and 179 on campus. In fact, 737 were recruited from the society throughout the year, with a recruitment completion rate of 96%; 149 were recruited on campus, with the school recruitment completion rate of 83%. In particular, through social recruitment, the Group introduced 2 middle-level and above management personnel, 16 middle-level management personnel for project companies, and 54 production technical backbones.

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- *Promotion appraisal*

  The Group has established standardized employee performance appraisal process and indicators, with a view to guiding employees to work hard through a clear and transparent appraisal system and strengthening the cultivation of subsequent reserve talents for the Group. During the Year, the Group required the managers of the subordinate project companies to sign the *Post Appointment Agreement* and *the Responsibility Statement on Appraisal of Operating Results for 2022*, so that each manager would sign a differentiated contract agreement in relation to his or her position according to the job responsibilities and work division, and be subject to promotion and appraisal according to his or her work and completion.

Employee Appraisal Process

We also carry out annual democratic evaluations to evaluate the performance of the Group's management, the selection of new cadres, and leadership support for grassroots Party building work, and use the results as the corresponding promotion appraisal indicators.

Democratic Evaluation

- *Remuneration and benefits*

  During the Year, the Group updated the *Remuneration Management System*. We determine the salary of employees based on our own business tasks, economic benefits, labor productivity, etc. The employee benefits of the Group include social insurance, housing provident fund, group accident insurance, living allowance, transportation allowance, official communication allowance, night shift allowance, high temperature allowance, holiday allowance, annual physical examination, paid leave, etc.

  In addition, the Group increased employee welfare condolences this year, and continued to enrich the daily activities of employees and optimize employee welfare facilities to create a happy workplace. Diversified condolence and caring measures for employees as well as a variety of spare time activities relieved work stress for employees and balanced their work and life.

  ✓ The Group would distribute holiday condolences to employees or hold festival-themed activities on the New Year's Day, Spring Festival, Dragon Boat Festival, Mid-Autumn Festival and other traditional festivals, as well as Children's Day, Women's Day and other festivals;

Holiday Condolences for Employees

  ✓ The Group specifically stipulated that female employees could enjoy 1 hour of leave per day during suckling period;

  ✓ The Group continued to increase the number of books in the internal book corner, and set up table tennis and billiards activity rooms. We organized club activities for employees such as badminton, swimming and yoga every week, and provided employees with space for rest and exercise.

Leisure-time Activities of Employees

- *Talent retention*

  In order to further retain excellent talents, the human resources department conducts a dynamic summarization and analysis of the human resources of the Group and its subordinate project companies every month, including the basic information of personnel at all levels, the situation of entry and exit, etc., and conducts exit interviews with employees before they leave to learn more about why they leave and where they will go. At the same time, in order to further attract outstanding employees and improve the corporate governance structure, the Group proactively studied the feasibility of implementation of the mid-to-long-term equity incentive during the year, so as to realize the incentive and restraint for the middle and high-level managers and key personnel of the Group.

  During the Year, the Group did not violate any law or regulation relating to recruitment and promotion, compensation and dismissal, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

  As at 31 December 2022, the employees of the Group are as follows:

Employment data		Number of employees in 2022	Separation rate in 2022
Total number of employees of the Group		3,389	14.02%
By gender	Male	2,635	14.76%
	Female	754	11.41%
By age	17-30	1,232	18.75%
	31-40	1,204	13.54%
	41-50	745	7.92%
	>51	208	10.58%
By region	China	3,389	14.02%
	Overseas	0	/

4.3.2 Employee Development and Training

The Group shoulders the responsibility and obligation to help employees grow. We regard employee development and training as an important way for the Group to achieve business goals, improve performance and implement sustainable development. The Group provides employees with a training mechanism to help them develop in multiple aspects, and has formulated a number of policies such as the Training Management System, the Internal Lecturer Management System, and the Management Measures on Employee Development and Training. We continuously tap the potential of employees and improve their work level to accelerate their growth, thereby strengthening the Group's excellent employee reserve system and helping the Group's long-term and stable development.

The Group has established five special training programs and two types of general-purpose training courses, and simultaneously uses a combination of online and offline training methods to improve employees' learning awareness and work efficiency. The five major special training programs are: new employee induction training, reserve cadre training program, organization personnel training program, safety production training and college student training. The details are as follows:

New employee induction training	Cultivation of reserve cadres	Organization personnel training	Safety production training	College student training
There were 5 sessions of training with a total of 651 class hours. The feedback on the induction training for new employees was generally good, and the passing rate of the examination was 100%.	The first stage of theoretical study has been carried out in 25 lectures, with a total of 1,157 class hours. The OA "learning portal" was used to distribute learning materials and after-school tests; a staged assessment was organized to promote learning and comprehensively improve learning efficiency.	1 session of personnel training consisted of 12 professional courses was carried out for 431 trainees; 1 session of Party affairs organization training consisted of 9 professional courses was carried out for 687 trainees, with a total of 12,366 class hours.	The 2022 annual safety production training was organized. All members of the Safety Committee of the head office and the heads and safety management personnel of 42 subsidiaries participated in the training. There were 404 trainees in total, with an average of 16 class hours per person.	The Group formulated and publicized the Guidelines for the Training of College Students; 205 fresh college students of 2022 participated in intensive training in plants.

Five Special Trainings and Achievements

The two types of general training courses are Dynagreen Mobile Classroom and Dynagreen Lecture, which mainly train employees' office skills and general knowledge. The details are as follows:

Dynagreen Mobile Classroom

43 mobile classrooms have been completed. The learning contents include high-quality mobile classrooms such as office software, document writing, effective communication, time management, and logical thinking. A total of 40,849 trainees participated in the training, with an average of 5.1 class hours per person.

Dynagreen Lecture

A total of 24 courses covering high-quality external training courses, system promotion and implementation, and legal knowledge learning were organised through cooperation with the Party Committee Office, Labor Union, Legal Compliance Department, General Management Department and other relevant departments, for a total of 1,941 trainees with a total of 16,253 class hours.

Two Types of General Training and Achievements

At the same time, for our subordinate project companies, we carry out targeted professional skills training for employees and hold project experience sharing meetings to strengthen the working capabilities of employees at all levels and improve the Group's business quality.

Based on the talent development system, the Group has established the "Five Programs" talent training mode. At present, each project company has achieved 100% full coverage of the two major professional skill trainings of "Starting Sail" and "Endurance"; and under the guidance of the Group, the project companies continued to promote the "Cruising" cultivation of talent team, carried out cross-rotation learning successively, to enhance the learning and exchange of professional skills. A total of 49,183 trainees from various project companies participated in the training, and 4,198 training sessions were given, with a total of 8,795.67 class hours. In addition, projects such as Rushan, Wuhan, and Changzhou launched learning activities including reading sharing, reading salon and reading festival. Projects including Tongzhou, Huizhou, Zhangqiu and Hong'an organized team development activities to conduct internal management experience exchanges and learning sharing, creating a good environment for team growth.

Professional Skills Training

In addition, the Group vigorously promotes the spirit of model worker, spirit of labor, and spirit of craftsmanship. The subsidiaries of the Group carried out various labor skill competitions and other activities based on their actual conditions, so as to promote learning and training through competitions, thus forming a good atmosphere in which all employees in the Group compare with and learn from each other in order to catch up with or surpass others.

Case Share

➢ Skill competition show skills to reach a new level of technology

Based on practical work, Bobai Company built a communication platform for front-line employees to exchange skills, through which electrical instrument maintenance and welding skill competitions were held to create a good atmosphere of "learning technology, improving skills, and enhancing ability". The contestants showed the good mental outlook of employees of Dynagreen with their excellent skills and enthusiasm for the competition.

➢ Training for practice and improvement of skills through competitions

Jurong Company organized and carried out labor skills competitions and theoretical knowledge examinations, as well as competitions for drawing of system diagram and welding technologies for equipment maintenance. The secretary of the Party branch and the general manager of the Company acted as the leader of the referee team and set the questions on the spot. The contestants were confident and showed their abilities in contests, after which they exchanged with each other to learn from others' strong points to offset their own weaknesses, which fully interpreted the mental outlook featured by "comparing with and learning from each other in order to catch up with, help or surpass others" of the employees of Dynagreen in pursuit of excellence.

During the Year, the Group basically provided training for all employees. The specific training data are as follows:

Training data		Trainee ratio in 2022	Per capita training hours in 2022
All employees of the Group		100%	10.27
By gender	Male	100%	10.17
	Female	100%	10.62
By rank	Senior management	100%	16.00
	General management	100%	10.00
	Non-management employees	100%	10.28

4.3.3 Labor Standard

The Group strictly abides by the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, the Law of the People's Republic of China on the Protection of Minors, the Social Insurance Law of the People's Republic of China and the laws and regulations related to labor standards in the place of its operation. Child or forced labor is strictly prohibited.

The Group is committed to creating a diverse and inclusive working environment and providing equal employment opportunities for talents. Regardless of employees' religion, gender, age, marital status, disability status, etc., we equally appreciate the uniqueness of each individual and the value they bring to the development of the Group and the industry. During the Year, the Group strictly implemented the established human resources management system. Based on the existing four labor recruitment principles, it was committed to ensuring the effective implementation of the principles of equal opportunity, diversity, anti-discrimination and avoidance of labor from the two aspects of system constraints and recruitment and on-boarding implementation.

1. It is required to guarantee equal employment rights for candidates without employment discrimination.
2. Under equal conditions, preference shall be given to college graduates from low-income families, people who have been lifted out of poverty, and people in marginal areas who are vulnerable to poverty and return to poverty from the key areas for comprehensive promotion of rural reconstruction and support.
3. It is not allowed to ask for technical data, equipment and equipment from the former employers of candidates on the grounds of recruitment, or infringe the intellectual property rights, trade secrets and other legitimate rights and interests of the former employers of candidates.
4. The recruitment of minors under the age of 16 and other personnel prohibited by national laws and administrative regulations shall not be allowed.

Recruitment Principles of the Group

The Group has stipulated the verification process of the personal information of recruited personnel, to strictly verify the identity of new employees when they are employed, and refuses to hire minors under the age of 16 to prevent the occurrence of child labor by mistake. At the same time, the Group regularly conducts internal training to publicize and implement relevant regulations, in order to improve employees' legal awareness, with a view to fundamentally eliminating child labor. In addition, in order to ensure the reasonable working hours of employees, the Group clearly stipulates the standard working hours of the Company and its subordinate projects and does not encourage employees to work overtime. The overtime requirements of various types of positions shall be subject to approval step by step to avoid unnecessary overtime; for necessary work overtime, employees will be arranged to take time off or paid with wages according to national regulations. The above measures can effectively prevent forced labor.

During the Year, the Group had no major violation of laws and regulations or litigation related to the employment of child labor or forced labor.

4.4. Product Responsibility

As an enterprise engaged in waste treatment and waste-to-energy business, the Group mainly serves the municipal administrative authorities of the local governments and power grid companies. The Group adopts the BOT model to operate domestic waste-to-energy business. It provides waste treatment services and receives waste treatment fee in accordance with the Concession Agreement signed with the municipal administrative authorities of the local governments. The amount of processed waste is measured with the equipment monitored by the both parties and the waste treatment standards are in line with the relevant technical specifications and emission standards. There is no additional quality verification process or product recycling procedure. The Concession Agreement stipulates the waste treatment fee, which will be reviewed and adjusted on a regular basis. The project companies of the Group are responsible for raising construction funds, construction and operation of the entire waste-to-energy plants, and sales of the electricity generated during the waste incineration process. The Group strives to provide high-quality and professional waste treatment and waste-to-energy services for the cities where the projects are located. We proactively respond to the national peak carbon dioxide emission and carbon neutrality plan to help promote pollution prevention and build a beautiful China.

4.4.1 Power Supply Quality Assurance

The Group actively carries out power supply quality assurance and has formulated specifications on waste-to-energy technologies and a supervision and management mechanism to ensure that the waste for power generation meets power generation requirements and the long-term stable and efficient operation of power generation boilers, to provide customers with qualified power.

The waste-to-energy quality is closely related to the quality of waste for power generation and the operating status of boilers and other equipment. For waste for power generation, the Group requires employees to inspect, divert, pile up, store and blend various types of wastes according to internal process parameters and operating procedures, and to report unqualified waste in a timely manner. For power generation boilers, the Group strictly controls the operating parameters of the boiler equipment, such as air temperature, air volume, grate speed, grate residence time, soot blowing frequency, etc. We have also stipulated inspection requirements for boilers and other equipment. Operators on duty are required to regularly supervise the operating parameters and environmental protection parameters of the boiler equipment, strengthen the frequency of fire inspection, and mainly achieve four frequencies, that is, "frequent fire inspection, frequent adjustment, frequent contact, and frequent analysis", so as to adjust production process according to the actual combustion conditions on site, changes in screen parameters, and changes in waste incineration position, thus to realize the safe, stable, efficient and economical operation of boilers.

4.4.2 Innovation, Research and Development of Processes

Adhering to the operating policy of promoting business progress through scientific and technological development, the Group regards technological innovation as an important means to enhance its core competitiveness, and continuously develops and applies new production processes and technologies, such as high-efficiency combustion and intelligent applications, to effectively improve the production efficiency of the waste-to-energy plants and maintain the leading position in the industry. The Group has formulated and issued the Management Measures for Technology Research and Development of Dynagreen Environmental Protection Group Co., Ltd., which set up the production, research and development goals related to waste-to-energy business in 2022. The specific work and achievements are as follows:

- ✓ The six 900/1,000-ton large-scale multiple drive expeller grate waste incinerators as independently developed by the Company were successfully assembled and tested at one time, making Dynagreen one of the few domestic companies with independent intellectual property rights for super-large incinerators with a single furnace's processing capacity of 1,000 tons. The waste incineration technology is at the domestic first-class level. With this waste incineration technology, the Group won the 2022 first prize of scientific and technological progress of China Association of Urban Environmental Sanitation


中国城市环境卫生协会科学技术奖

获奖证书

项目名称：多驱动逆推式垃圾焚烧炉

获奖等级：科技进步一等奖

获奖单位：绿色动力环保集团股份有限公司

证书号：2022-02-A06-D01

Certificate of First Prize of Scientific and Technological Progress

- ✓ 4 large-scale multiple drive expeller grate waste incinerators were optimised and perfected, and were applied in Wuhan Phase II Project

- ✓ The high-efficiency and intelligent technologies were applied in waste-to-energy plants

In addition, in order to encourage employees to make inventions for improvement of its development and operation quality, the Group has promulgated the internal Management Measures for Patent Rewards and disclosed the reward mechanism. The Group gives different levels of cash rewards to inventors or designers who have obtained patent certificates issued by China National Intellectual Property Administration, and uses patent applications as a reference for evaluating employees' technical titles and job appointments. In 2022, the Group accumulatively applied for 3 new patents and obtained 1 authorized patent.

4.4.3 Protection of Intellectual Property Rights

The Group also attaches great importance to technology research and development and innovation as well as protection of intellectual property rights, and has formulated and issued relevant policies including the Guidelines on Compliance in Management of Intellectual Property Rights of Dynagreen Environmental Protection Group Co., Ltd. and Management Measures for Intellectual Property Rights and Trade Secrets of Dynagreen Environmental Protection Group Co., Ltd. The Group clearly stipulates in the relevant systems that all employees shall not infringe on the intellectual property rights and trade secrets of others. Employees shall continuously enhance their awareness of intellectual property rights and conscientiously perform their obligations to safeguard the Company's intellectual property rights and keep trade secrets; subsidiaries and individuals of the Group shall not disclose the Company's trade secrets. It is forbidden to use, license or transfer the Company's patented technologies, trademark rights, copyrights and other intellectual property rights without authorization. At the same time, the Group also publicizes the ideas of safeguarding intellectual property rights and ensuring information security to employees, and provides relevant training.

During the Year, the Group had no major violation of laws and regulations and litigation related to product responsibility and protection of intellectual property rights.

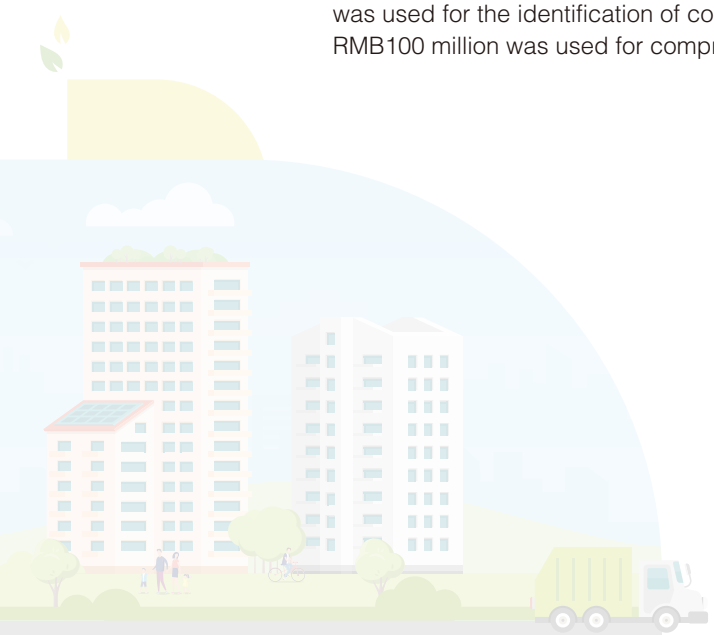
Case Share

➢ Training on protection of intellectual property rights

On 15 July 2022, the Beijing State-owned Assets Supervision and Administration Commission held the second phase of the Beijing Enterprise Yunfan Lecture on the Rule of Law in 2022. The theme of the meeting was the interpretation of the *Regulations of Beijing on Protection of Intellectual Property Rights* by Xiao Youdan, a researcher at the Institutes of Science and Development, Chinese Academy of Sciences. The leaders of Dynagreen Group in charge of legal work, all staff of the Legal Compliance Department and other relevant colleagues of the Company participated in the training and learning through remote online video conferences.

4.4.4 Application of Green Finance

The Group uses green finance products to strengthen the construction of waste treatment and waste-to-energy engineering facilities to further improve the quality of operation. During the Year, the Group withdrew a total of RMB600 million of working capital through green credit, of which RMB300 million was used for the construction and operation of domestic waste treatment facilities; RMB200 million was used for the identification of construction and operation of biomass energy utilization facilities; and RMB100 million was used for comprehensive utilization of domestic waste in urban and rural areas.



4.5. Supply Chain

The upstream industries of the Group include construction enterprises, installation enterprises, suppliers of waste treatment and waste-to-energy equipment (such as incinerators, flue gas treatment systems, steam turbine generator sets, waste heat boilers, etc.), and the procurement items mainly include various types of equipment, construction and installation services and various consumables.

The Group has formulated the internal Procurement Management Measures, which clarifies a series of regulations such as procurement methods, division of labor, processes, and management methods. The Group selects suppliers through public bidding, and implements a management mechanism of mutual separation, mutual restraint and supervision for procurement-related positions; we have established a supplier database to select excellent suppliers in a fair and open way according to established procurement procedures and policies; we conduct due diligence on selected suppliers and carry out corresponding qualification inspection and identification, to prevent procurement risks; we have established an evaluation mechanism for qualified suppliers to evaluate their service performance in multiple dimensions.

The Group has been adhering to the principle of clean procurement to cooperate with suppliers. In order to ensure that procurement can be carried out in a fair, just and open manner, the Group has stipulates in the Procurement Management Measures that all staff related to procurement activities shall not take advantage of their positions to seek personal gains; moreover, cooperative suppliers are required to sign an integrity commitment agreement; we have also established an external supervision mechanism and disclosed the Group's complaint hotline for external personnel to report corruption in procurements.

The Group expects to establish a friendly and long-term cooperative relationship with excellent suppliers, and always adheres to the cooperation concept of "equality and mutual benefit" in business dealings. We will communicate with partners from time to time according to the actual situation of each project. At the same time, the Group encourages suppliers to use more environment-friendly products and services, and we tend to select suppliers whose products and services are more economical and environment friendly.

During the Year, the Group was not aware of any major violations of laws and regulations or accidents of our suppliers.

Number of suppliers	2022
Mainland China and outside mainland China	429

Note: Most suppliers of the Group are in the mainland China.

4.6. Anti-corruption

The Group strictly abides by laws and regulations including the Anti-Unfair Competition Law of the People's Republic of China, the Anti-Money Laundering Law of the People's Republic of China and the Interim Provisions on the Prohibition of Commercial Bribery, and has formulated a series of policies, systems and measures including the Anti-fraud and Whistle-blowing System (《反舞弊與舉報制度》), the Ten Rules on Employee Behavior of Dynagreen (《綠色動力員工行為十誡》), the Three Importance and One Greatness Collective Decision Making Management System (《三重一大集體決策管理制度》), the Management System for Regulating Capital Flow with Related Parties (《規範與關聯方資金往來的管理制度》) and the Decision Making System for Non-Ordinary Business Transactions (《非日常經營交易事項決策制度》). Adhering to the principles of "combining punishment with prevention and prevention as the first priority", the Group has determined the focus of anti-fraud as illegal occupancy or misappropriation of corporate assets, obtaining illicit benefits, false statement, material omission, abuse of power and collusion. In order to further strengthen the prevention, control and management on integrity risk and carry out petitioning work, we have established an accountability mechanism for the construction of a clean Party work style and integrity and joint responsibility of anti-corruption, and performed promotion, supervision and inspection of anti-fraud. We promoted the core idea of "integrity" throughout the Group. The Group has established a discipline inspection committee. The Group has introduced a veto power clause to employee appraisals for clean and honest administration, and strictly assessed the process of selecting, appointing and dismissing management personnel, to earnestly fulfill the anti-fraud supervision responsibility. In order to standardize the integrity of key personnel, during the Reporting Period, we regularly held a total of 7 systematic and collective study meetings of the disciplinary committee, and held integrity reminder meetings and issued integrity reminder posters before the New Year's Day, Spring Festival and other holidays to encourage all employees to jointly create the clean and upright festive atmosphere of integrity.

4.6.1 Promotion of Integrity Culture

In order to promote honesty and morality to progress from the overall strategy to practice, demonstrate the achievements of the construction of integrity culture, and gather joint efforts of construction of integrity culture, during the Reporting Period, the Disciplinary Committee of the Group requested all Party branches and project companies to jointly organize the integrity culture education publicity month activity themed by "promoting corporate integrity culture and creating a clean and upright development environment" in the third quarter. We mainly organized various new integrity cultural education and publicity activities through the combination of "online + offline" ways from the eight dimensions of "learning, talking, exhibition, book, warning, commitment, action, and class", to create a good atmosphere of advocating integrity in the Group, fully mobilize the enthusiasm of Party members and cadres, and improve the participation and integrity awareness of the masses.

To cultivate integrity through learning to build a solid foundation for integrity in practice

- ✓ "Daily Learning" comics
- ✓ "Integrity Dynagreen" periodical
- ✓ Collective self-study through the website of Xuexi Qiangguo

To demonstrate integrity through warning to prevent erroneous ideas at the outset

- ✓ Organize watching warning education videos
- ✓ Learn corruption cases
- ✓ Visit integrity education bases, etc.

To promote integrity through talk to discuss the construction of integrity culture

- ✓ ""Top leaders talk about integrity" learning and exchange activities

To show integrity through commitment with superiors leading subordinates to practice integrity

- ✓ Integrity oath
- ✓ Signing integrity commitment letter

To describe integrity through exhibition with integrity culture posters on walls

- ✓ Produce integrity culture posters and integrity culture promotion boards
- ✓ Hang promotional banners and post promotional slogans
- ✓ Hold integrity calligraphy and painting exhibitions, and build integrity culture walls, integrity culture corridors, etc.

To establish integrity through classes to form the fashion of learning and advocating integrity

- ✓ Attend integrity Party class activities
- ✓ Carry out sharing session of integrity stories of historical figures

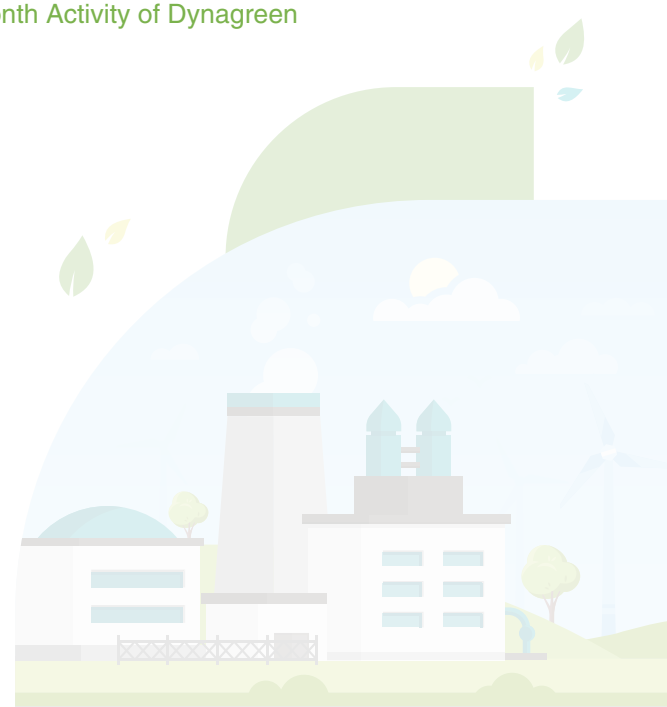
To boost integrity with books to move forward the line of defense against corruption

- ✓ Carry out parent-child reading activities on integrity education
- ✓ Build an integrity culture book corner
- ✓ Give out books on integrity

To advocate integrity through action to deepen effects by education in entertainment

- ✓ Hold fun games on integrity
- ✓ Speech contests, knowledge contests, etc.

Integrity Education Publicity Month Activity of Dynagreen



Case Share

➢ The Group released the bimonthly internal magazine Integrity Dynagreen

In order to strengthen the publicity and education of integrity, promote the construction of high-quality integrity culture of the Group, and fully implement the spirit of the 20th National Congress of the Party and the requirements of the Opinions on Strengthening the Construction of Integrity Culture in the New Era, the Group conveyed the superiors' regulations, policies, spirit and deployment requirements on strict governance of the Party, construction of the Party conduct and of an honest and clean government and anti-corruption work in a timely and accurate way. During the Year, the Disciplinary Committee of the Group initiated the publication of Integrity Dynagreen, and 4 issues have been published so far. The journal has different themed sections such as "Special Study", "Interpretation of Regulations", and "Work Dynamics" to provide guidance for all employees to improve their integrity theory and practice.

4.6.2 Enhancement of Integrity Training

The Group attaches great importance to the integrity education of all personnel and integrates the concept and requirements of integrity into the induction training and daily education. Normal integrity education and training are provided through various methods such as integrity training for employees, organizing watching warning education videos, holding integrity reminder meetings before holidays and conducting publicity on integrity in project companies to build a solid ideological line of defense for integrity.

Case Share

- Warning education conference themed by "drawing lessons learnt from past experience to promote reforms"

  In order to further strengthen the bottom-line awareness of the Group's Party members and cadres and promote the Group's comprehensive strict Party governance and continuous in-depth development, the Group held a warning education meeting themed by "drawing lessons learnt from past experience to promote reforms", at which middle-level and above leaders were organized to watch warning education films. Based on the actual cases of Dynagreen, the Group deeply found out the root causes of disciplinary cases and continued to deepen the implementation of political responsibilities of Party management and governance, striving to enhance the comprehensive effectiveness of supervision and governance.

- "Special training session for "top leaders" and leadership team

  In order to effectively implement the spirit of the 20th National Congress of the Communist Party of China and the spirit of the 13th Party Congress of Beijing, the Group held a special training session for "top leaders" and leadership team on 13 December 2022, at which participants were organized to watch the warning education film together and conduct case analysis and experience sharing, so as to warn "top leaders" and members of the leadership team that it's required to continuously strengthen bottom-line thinking and promote the normalization and long-term construction of integrity.

4.6.3 Performance of inspections and joint supervisions

During the Reporting Period, the Group established an inspection mechanism for the Party committee and a "comprehensive platform for inspection and supervision", and printed and issued relevant basic management systems, which highlight political standards in selection of excellent and strong inspection cadres. The "team leader pool" and "talent pool" teams were established. Pilot inspection was completed for two subordinate project companies. The Disciplinary Committee of the Group took the lead in holding four joint meetings on the construction of the Party conduct and integrity and the supervision of anti-corruption work, at which research and discussion were conducted on key issues such as performance of duties by "top leaders" , asking for instructions and reporting, on-site procurement risks, contract management, reimbursement of false invoices, and avoiding formalism and bureaucracy, to continuously improve the innovative working mechanism. Relevant departments were urged to perform their duties through joint meetings. In addition, on-site supervision and inspection were carried out for eight project companies, and through cooperation with the operation management center of the Group in carry out special supervision and inspection of safety and environmental protection, it was ensured that the rectification of related risks and hidden dangers was conducted. Multiple measures were implemented to continuously improve the effectiveness of supervision and governance.

During the Year, the Group had no serious violation of laws and regulations in relation to prevention of bribery, extortion, fraud and money laundering.

4.7. Party Building Leadership

The year 2022 was a critical year for Dynagreen Group to implement the "14th Five-Year Plan", and also the first year to implement the spirit of the 20th National Congress of the Communist Party of China. Under the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Group fully implemented the spirit of the 20th National Congress of the Communist Party of China. During the Reporting Period, under the strong leadership of Beijing State-owned Assets Management Co., Ltd., the Party committee and all cadres and employees of Dynagreen Group overcame difficulties and worked hard to thoroughly implement the Xi Jinping Thought on Ecological Civilization. Adhering to the concept that lucid waters and lush mountains are our invaluable assets, the Group strengthened ecological environmental protection in an all-round way and took solid steps in promoting green, circular and low-carbon development.

Case 1: Inheritance of Red • Enhancement of the vitality of grassroots Party building

The Party committee of Dynagreen Group fully implemented the general requirements of Party building in the new era, improved the system of comprehensively and strictly governing the Party and vigorously strengthened the construction of the branch, to enhance the vitality of the branch. It earnestly implemented the "three meetings and one lesson" system, and proactively organized all Party members to carry out themed Party day events.

On 1 July 2022, the Party committee of the Group organized all Party members of the head office and activist of Party application to go to the education hall with the theme of "never forget the original intention and keep the mission in mind" in Pingshan District, Shenzhen. Under the leadership of the secretary of the Party committee, all Party members of the Group truly felt the arduous revolutionary career and entrepreneurial journey of the communists along the way through visiting revolutionary cultural relics, reviewing the oath for joining the Party, watching anti-Japanese educational films, etc., On the basis of refining thoughts, strengthening Party spirit, gathering strength, and working hard, they were engaged in work with a better mental state and more tenacious fighting spirit.

Party day event themed by "staying true to the Party's original aspiration and overcoming difficulties to forge ahead"

Case 2: Political leadership • promotion of normalized and long-term learning and education of Party history

On the afternoon of 25 November, the Party Committee of Dynagreen Group organized a Party day event with the theme of "Striving for a New Journey, Making Contributions in the New Era and Learning the Spirit of the 20th National Congress of the Communist Party of China". The Party members and cadres of the head office visited the "Qianhai Stone" and the Qianhai International Conference Center in the Shenzhen Qianhai Free Trade Zone, comprehended the essence of the "Qianhai Model", to visually review the history of reform and opening up of the special zone in forty years and have a deep understanding of the spirit of the important speech delivered by Xi Jinping, the Secretary General of the Communist Party of China, at the 20th National Congress of the Communist Party of China.

Party day event themed by "Striving for a New Journey, Making Contributions in the New Era and Learning the Spirit of the 20th National Congress of the Communist Party of China"

Looking forward to 2023, the Group will continue to be guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era to fully implement the spirit of the 20th National Congress of the Communist Party of China. Based on the environmental protection and new energy industry and upholding the corporate mission of "creating a better living environment", the Group will seize the opportunities arising from "peak carbon dioxide emission and carbon neutrality" and bravely move forward on the new journey with a new mental state and a fighting attitude.

4.8. Community Welfare

The Group advocates building a harmonious and inclusive community environment. We play a leading role in proactively calling on a number of caring enterprises to participate in helping the poor and students in rural education, and take the initiative to assume social responsibility to make donations for rural revitalization with practical actions.

Case 1: Student Aid and Poverty Alleviation Activity themed by "Walking into Old Communities, Walking with Love"

On 16 August 2022, the Yuehai Sub-district Federation of Trade Unions of Nanshan District, Shenzhen City and the labor unions of caring enterprises in the jurisdiction launched a student aid and poverty alleviation activity themed by "Walking into Old Communities, Walking with Love". The Group and 7 caring enterprises raised a total of RMB190,000 and donated a number of teaching equipment including computers and projectors to Daping Primary School. Caring enterprises provided bursaries to college students from poor families and send condolences such as rice and oil to poor families, to care about the economic and living conditions of poor families. After the donation ceremony, in order to express gratitude to the Group and caring enterprises, the village committee arranged outstanding young pioneers to wear red scarves and present pennants for the donation representatives, expressing their gratitude in the simplest and most sincere way.

2022 Student Aid and Poverty Alleviation Activity themed by "Walking into Old Communities, Walking with Love"

As at 31 December 2022, a total of 16 project companies of Dynagreen carried out a total of 48 donations, including 31 donations in cash, totaling RMB3,324,000 and 17 donations in goods, equivalent to RMB232,800. During the Year, Dynagreen Group donated a total of RMB3,556,800 in cash or goods.

Donation in cash

Consolations for groups with special difficulties
Support of village and enterprise co-construction
Festival condolences to elderly villagers
……

Donation in goods

Festival condolences to poor households
Condolences to sanitation workers
Donation of epidemic prevention materials
……

Appendix 1. List of Awards of Dynagreen in 2022

List of Awards of Dynagreen Group in 2022

- 2021 Word of Mouth List of Listed Companies in China – Most Growing Listed Company in the Peak Carbon Dioxide Emission and Carbon Neutrality Industry
- Enterprise rated with AAA in enterprise credit rating
- Special Support Unit of 2021-2022 Annual Meeting of China Association of Urban Environmental Sanitation and CAUES Expo
- Shenzhen Top 500 Enterprises
- Guangdong Top 500 Enterprises
- Social benefits and low-carbon brand issued by Polaris Environmental Protection Website
- 2022 Top Ten Solid Waste Influential Enterprises
- First prize of scientific and technological progress of China Association of Urban Environmental Sanitation
- 2022 second prize of scientific and technological application of China Association of Urban Environmental Sanitation

Appendix 2. Table of Key ESG Performance Data of Dynagreen in 2022

Environmental

Key Performance Indicators			Unit	2022
Business	Waste treatment volume		tons	10,497,676
	Electricity generation volume		'0,000 kWh	417,686
Emissions	Wastewater	Total COD emissions	tons	21
		Total wastewater discharge	tons	708,278
		Wastewater discharge intensity	tons/RMB1 million of income	155.08
	Exhaust gas	Nitrogen oxide emissions	tons	4,799
		Sulphur dioxide emissions	tons	922
		Smog emissions	tons	125
		Hydrogen chloride emissions	tons	589
		Total exhaust gas emissions	tons	6,436
		Exhaust gas emission intensity	tons/RMB1 million of income	1.41
Greenhouse gas	Greenhouse gas emissions (Scope 1)		Tons of carbon dioxide equivalent	25,911
	Greenhouse gas emissions (Scope 2)		Tons of carbon dioxide equivalent	180.03
	Total greenhouse gas emissions		Tons of carbon dioxide equivalent	26,091
	Greenhouse gas emission intensity		Tons of carbon dioxide equivalent/RMB1 million of income	5.71
Hazardous waste	Total hazardous waste		tons	353,269
	Hazardous waste intensity		tons/RMB1 million of income	77.35
Non-hazardous waste	Total non-hazardous waste		tons	2,707,064
	Non-hazardous waste intensity		tons/RMB1 million of income	592.73

2022 ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") REPORT (CONTINUED)

Key Performance Indicators		Unit	2022
Energy	Electricity consumption at the Group's head office (purchased)	kWh	223,864
	Electricity consumption of plants (self-generated)	'0,000 kWh	71,935
	Natural gas for boilers	cubic meter	391,048
	Diesel for boilers	tons	7,974
	Diesel for machinery and vehicles	tons	203.26
	Total energy consumption	'0,000 kWh	10,287
	Energy consumption intensity	'0,000 kWh/RMB1 million of income	2.25
Resources	Water consumption	tons	17,838,242
	Water consumption intensity	tons/RMB1 million of income	3,905.80
Compliance	Emissions exceeding environmental protection standards	times	1
	Fines and prosecutions due to noncompliance with environmental protection laws and regulations	times	2

Explanations on environmental data and coefficient

1. The time span of environmental data is from 1 January 2022 to 31 December 2022; the scope of data collection covers the head office of Dynagreen Group in Shenzhen and the plants of 31 subordinate project companies.

2. Greenhouse gas emissions (Scope 1) mainly come from diesel combustion in boilers, and greenhouse gas emissions (Scope 2) are generated from purchased electricity of the head office of the Group. Data sources are bills of payment of relevant expenses and administrative statistical ledgers. The greenhouse gas emission coefficient of purchased electricity is calculated with reference to the *2019 China Regional Grid Baseline Emission Factors* issued by the Ministry of Ecology and Environment, and the emission coefficient of other energy sources is calculated with reference to the Reporting Guidance on Environmental KPIs issued by the Hong Kong Stock Exchange.

3. The types of energy consumed by the Group in 2022 include fuel oil for official vehicles and purchased electricity. The sources of data are bills of payment for relevant expenses and administrative statistical ledgers; the energy consumption coefficient is calculated with reference to the conversion factor provided by the *International Energy Agency* and the national *GB/T 2589–2008 General Rules for Calculation of Comprehensive Energy Consumption*.

4. Hazardous wastes mainly include fly ash, waste engine oil, waste lubricating oil, waste engine oil barrels, waste cloth bags, etc.

5. Non-hazardous waste is mainly slag.

6. The water used by the Group comes from the water supply from the municipal pipe network, and the data sources are financial records and administrative statistical ledgers.

Social

Key Performance Indicators		2022	
Total workforce by gender, employment type, age group and geographical region			
		Number of employees (person)	**Proportion (%)**
By gender	Male	2,635	77.75%
	Female	754	22.25%
By employment type	Full-time Employees	3,389	100%
	Part-time Employees	0	0%
By age group	17-30	1,232	36.35%
	31-40	1,204	35.53%
	41-50	745	21.98%
	Above 51	208	6.14%
By geographical region	Mainland China	3,389	100%
Total workforce		3,389	
Employee turnover rate by gender, age group and geographical region			
		Number of resigned employees (person)	**Turnover rate (%)**
By gender	Male	389	14.76%
	Female	86	11.41%
By age group	17-30	231	18.75%
	31-40	163	13.54%
	41-50	59	7.92%
	Above 51	22	10.58%
By geographical region	Mainland China	475	14.02%
Health and Safety			
Number of work-related fatalities		0	
Number of work-related injuries		0	
Lost days due to work injury		0	
Fines and prosecutions due to non-compliance with laws and regulations related to health and safety		0	

Appendix 3. Index of the ESG Reporting Guide of the Hong Kong Stock Exchange

ESG indicators		Disclosure	Corresponding section
A1 General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Disclosed	3.1 Environmental Management and Related Policies
A1.1	The types of emissions and respective emissions data.	Disclosed	3.2 Environmental Pollutants 3.2.5 Environmental Emission Data
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	3.4.1 Greenhouse Gas Emissions
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	3.2.5 Environmental Emission Data
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	3.2.5 Environmental Emission Data
A1.5	Description of emissions target(s) set and steps taken to achieve them.	Disclosed	3.2.1 Air Emission 3.2.5 Environmental Emission Data
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Disclosed	3.2.3 Waste Management 3.2.5 Environmental Emission Data

ESG indicators		Disclosure	Corresponding section
A2 General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Disclosed	3.3 Use of Resources
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in'000s) and intensity (e.g. per unit of production volume, per facility).	Disclosed	3.3.4 Resources Use Data
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Disclosed	3.3.4 Resources Use Data
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Disclosed	3.3.2 Power Consumption 3.3.3 Fuels and Others
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Disclosed	3.3.1 Water Consumption
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A	The Group is not involved in the use of packaging materials.
A3 General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Disclosed	3.5 Development of New Environmental Protection Technologies
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Disclosed	3.5 Development of New Environmental Protection Technologies
A4 General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Disclosed	3.4.2 Analysis on Climate Risks
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Disclosed	3.4.3 Climate Risk Response

2022 ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") REPORT (CONTINUED)

ESG indicators		Disclosure	Corresponding section
B1 General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Disclosed	4.3.1 Employee Recruitment and Benefits
B1.1	Total workforce by gender, employment type (for example, full – or part-time), age group and geographical region.	Disclosed	4.3.1 Employee Recruitment and Benefits
B1.2	Employee turnover rate by gender, age group and geographical region.	Disclosed	4.3.1 Employee Recruitment and Benefits
B2 General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Disclosed	4.2 Health and Safety
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Disclosed	4.2 Health and Safety
B2.2	Lost days due to work injury.	Disclosed	4.2 Health and Safety
B2.4	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Disclosed	4.2 Health and Safety
B3 General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Disclosed	4.3.2 Employee Development and Training
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Disclosed	4.3.2 Employee Development and Training
B3.2	The average training hours completed per employee by gender and employee category.	Disclosed	4.3.2 Employee Development and Training
B4 General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Disclosed	4.3.3 Labor Standard
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Disclosed	4.3.3 Labor Standard
B4.2	Description of steps taken to eliminate such practices when discovered.	Disclosed	4.3.3 Labor Standard

ESG indicators		Disclosure	Corresponding section
B5 General Disclosure	Policies on managing environmental and social risks of the supply chain.	Disclosed	4.5 Supply Chain
B5.1	Number of suppliers by geographical region.	Disclosed	4.5 Supply Chain
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Disclosed	4.5 Supply Chain
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Disclosed	4.5 Supply Chain
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Disclosed	4.5 Supply Chain
B6 General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Disclosed	4.4 Product Responsibility
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A	The Group is not involved in downstream consumption.
B6.2	Number of products and service related complaints received and how they are dealt with.	N/A	The Group has received no complaints about products or services.

2022 ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") REPORT (CONTINUED)

ESG indicators		Disclosure	Corresponding section
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Disclosed	4.4 Product Responsibility
B6.4	Description of quality assurance process and recall procedures.	Disclosed	4.4 Product Responsibility
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	N/A	The Company does not involve downstream consumers.
B7 General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Disclosed	4.6 Anti-corruption
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Disclosed	4.6 Anti-corruption
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Disclosed	4.6 Anti-corruption
B7.3	Description of anti-corruption training provided to directors and staff.	Disclosed	4.6 Anti-corruption
B8 General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Disclosed	4.8 Community Welfare
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Disclosed	4.8 Community Welfare
B8.2	Resources contributed (e.g. money or time) to the focus area.	Disclosed	4.8 Community Welfare

Appendix 4. Compliance with relevant laws, regulations and rules that have a significant impact on Dynagreen

ESG Guide of the Hong Kong Stock Exchange	Relevant laws and regulations	Disclosure of compliance	Methods to ensure compliance with relevant laws, regulations and rules
A1 Emissions	• Environmental Protection Law of the People's Republic of China • Environmental Impact Assessment Law of the People's Republic of China • Regulations on Environmental Protection Management of Construction Projects • Law of the People's Republic of China on Air Pollution Prevention and Control • Water Pollution Prevention and Control Law of the People's Republic of China • Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste • Administrative Measures for Hazardous Waste Operation Permits • Administrative Measures for Hazardous Waste Transfer Forms • Medical Waste Management Regulations • Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution • Management Measures for Environmental Monitoring • Management Measures for Automatic Monitoring of Pollution Sources • Regulations on Management of Pollution Discharge Permits • Management Measures for Municipal Domestic Waste • Regulations on Urban Construction Waste Management • Regulations on Management of Urban Drainage and Sewage Treatment • Regulations on the Administration of Compensation for Ecological Environmental Damage • Management Measures for Legal Disclosure of Enterprise Environmental Information	During the Year, the Group had no serious violations of environmental laws and regulations.	Strict compliance with environmental protection laws and regulations, treatment and disposal of waste gas, wastewater, solid waste and noise emissions in accordance with national laws and regulations, to avoid, reduce and control environmental pollution caused by daily operations. For more information about Dynagreen's compliance with environmental laws and regulations, please refer to the chapter headed "Environment" in the Report.

ESG Guide of the Hong Kong Stock Exchange	Relevant laws and regulations	Disclosure of compliance	Methods to ensure compliance with relevant laws, regulations and rules
B1 Employment	• Labor Law of the People's Republic of China • Labor Contract Law of the People's Republic of China • Law of the People's Republic of China on the Protection of Women's Rights and Interests • Social Insurance Law of the People's Republic of China • Regulations on Paid Annual Leave for Enterprise Employees • Housing Provident Fund Management Regulations • Special Regulations on the Labor Protection of Female Employees • Regulations of the State Council on Working Hours of Employees • Minimum Wage Regulations	During the Year, the Group did not violate any laws and regulations relating to recruitment and promotion, compensation and dismissal, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	The human resources department has established different policies in accordance with the requirements of relevant laws, and adheres to the principles of open, fair and just selection and employment; at the same time, the labor union of the Group continues to provide employees with various benefits, condolences and leisure activities. For more information about Dynagreen's compliance with laws and regulations in relation to employment, please refer to the chapter headed "Employee Recruitment and Benefits" in the Report.
B2 Health and Safety	• Safety Production Law of the People's Republic of China • Law of the People's Republic of China on Prevention and Control of Occupational Diseases • Fire Protection Law of the People's Republic of China • Work Injury Insurance Regulations • Regulations on the Medical Period for Enterprise Employees' Illness or Non-work-related Injuries	During the Year, the Group did not record any work accident or violate any laws and regulations relating to the health and safety of employees.	Formulation of a safety management system and a safety responsibility system, strict implementation of safety production policies, provision of employees with safety protection equipment and safety education and training, and work in accordance with safety operation guidelines. For more information about Dynagreen's compliance with laws and regulations in relation to safety and health, please refer to the chapter headed "Health and Safety" in the Report.

2022 ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") REPORT (CONTINUED)

ESG Guide of the Hong Kong Stock Exchange	Relevant laws and regulations	Disclosure of compliance	Methods to ensure compliance with relevant laws, regulations and rules
B4 Labor Standard	• Labor Law of the People's Republic of China • Law of the People's Republic of China on the Protection of Minors • Provisions on the Prohibition against Using Child Labor • Labor Security Supervision Regulations	During the Year, the Group had no major violations of laws and regulations or litigation related to the employment of child labor or forced labor.	The Group strictly prohibits the use of child labor and forced labor. For more information about Dynagreen's compliance with laws and regulations in relation to labor, please refer to the chapter headed "Labor Standard" in the Report.
B6 Product Responsibility	• Tort Liability Law of the People's Republic of China • Product Quality Law of the People's Republic of China	During the Year, the Group was not aware of any major violations of laws and regulations related to product responsibility.	The Group and the supply chain strictly implement the quality management system to ensure that the quality of each service complies with relevant laws and regulations and customer requirements. For more information about Dynagreen's compliance with laws and regulations in relation to labor, please refer to the chapter headed "Product Responsibility" in the Report.
B7 Anti-corruption	• Criminal Law of the People's Republic of China • Anti-unfair Competition Law of the People's Republic of China • Anti-money Laundering Law of the People's Republic of China • Provisional Provisions on the Prohibition of Commercial Bribery	During the Year, the Group had no serious violations of laws and regulations in relation to prevention of bribery, extortion, fraud and money laundering.	The Group has formulated an anti-corruption system and carries out clean internal audit work. Meanwhile, integrity culture training and publicity are provided for employees. For more information about Dynagreen's compliance with laws and regulations in relation to labor, please refer to the chapter headed "Anti-corruption" in the Report.