



四川能投發展股份有限公司

Sichuan Energy Investment Development Co., Ltd.

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

Stock Code: 1713

2022

Environmental, Social and Governance Report



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1. ABBREVIATIONS

Unless otherwise stated in the Report, the following terms are defined as follows:

“Sichuan Energy Investment Development” or “the Company”	Sichuan Energy Investment Development Co., Ltd.
“The Report”	Sichuan Energy Investment Development’s 2022 Environmental, Social and Governance Report
“The Group” or “We”	Collective reference of Sichuan Energy Investment Development and its subsidiaries
“During the year”, “2022” or “the Reporting Period”	1 January 2022 to 31 December 2022
“Headquarters”	Headquarters of Sichuan Energy Investment Development excluding its subsidiaries
“Subsidiaries”	Subsidiaries of Sichuan Energy Investment Development that are included in the Report’s scope (refer to section “2.1 Reporting Scope” of the Report for details)
“Board of Directors”	Board of Directors of Sichuan Energy Investment Development
“Employees”	Employees of Sichuan Energy Investment Development
“PRC”	People’s Republic of China
“SEHK”	The Stock Exchange of Hong Kong Limited
“The Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“the Guide”	Environmental, Social and Governance Reporting Guide (2019 version), Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“COVID-19 pandemic”	Novel coronavirus pneumonia pandemic
“HSE”	Health, Safety and Environment
“ESG”	Environmental, Social and Governance
“ESG Working Group”	Environmental, Social and Governance Working Group
“Yuan”	Renminbi yuan, the lawful currency of PRC
“Kilowatt-hour” or “kWh”	Unit of energy, equivalent to the amount of energy produced in one hour by a generator with a power of one kilowatt
“Megawatt-hour” or “MWh”	Unit of energy, equivalent to 1,000 kWh

2. ABOUT THE REPORT

This is the fifth ESG report issued by Sichuan Energy Investment Development after its listing on SEHK. The purpose of the Report is to report on the Group's sustainability-related performance for the year 2022 and to address sustainability-related issues of concern to the Group's key stakeholders. The report also details the Group's governance on sustainability and how the sustainability concept is integrated with the business to identify and manage various risks and opportunities.

The Report is published in both Traditional Chinese and English. If there were any discrepancies in the Report content, the Traditional Chinese version shall prevail. The electronic version of the Report can be read and downloaded through the Group's official website and SEHK website.

2.1 REPORTING SCOPE

The Report covers the Headquarters and its subsidiaries that mainly affect Sichuan Energy Investment Development's performance, assets or liabilities. The list of subsidiaries and their principal activities are as follows:

Subsidiaries	Abbreviations	Subsidiaries' places of operation	Main Business
Sichuan Energy Yibin City Xuzhou Electricity Co., Ltd.	Sichuan Energy Xuzhou Electricity	Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Gao County Electricity Co., Ltd.	Sichuan Energy Gao County Electricity	Gao County, Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Gong County Electricity Co., Ltd.	Sichuan Energy Gong County Electricity	Gong County, Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Xingwen Electricity Co., Ltd.	Sichuan Energy Xingwen Electricity	Xingwen County, Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Power Investment Pingshan Electricity Co., Ltd.	Sichuan Energy Pingshan Electricity	Pingshan County, Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Junlian Electricity Co., Ltd.	Sichuan Energy Junlian Electricity	Junlian County, Yibin, Sichuan Province	Electricity Sales
Shuifu Yangliutan Power Generation Co., Ltd.	Sichuan Energy Yangliutan Power Generation	Shuifu City, Yunnan Province	Power Generation
Sichuan Energy Yibin Electricity Engineering Co., Ltd.	Sichuan Energy Yibin Electricity Engineering	Yibin City, Sichuan Province	Electrical Installation
Sichuan Energy Investment Yibin Power Generation Co., Ltd.	Sichuan Energy Yibin Power Generation	Gao County, Yibin City, Sichuan Province	Power Generation
Sichuan Energy Investment Electricity Energy Co., Ltd	Sichuan Energy Electricity Energy	Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Gao County Integrated Energy Co., Ltd	Sichuan Energy Gao County Integrated Energy	Gao County, Yibin City, Sichuan Province	Electricity Sales

The information and the calculation method given in the Report have not been restated with significant impact compared with the report in the previous year. The reporting scope of the Report corresponds to the interim report published on September 22, 2022 by Sichuan Energy Investment Development. Sichuan Energy Investment Gao County Integrated Energy Co., Ltd has been included in the Group from 1 July 2022 to 31 December 2022. Unless otherwise stated, the time frame of the report is from 1 January 2022 to 31 December 2022.

2. ABOUT THE REPORT

2.2 CONFIRMATION AND APPROVAL

The Board of Directors has overall responsibility for the Group's ESG strategy and report, and has reviewed and approved the Report. The data and other information publicly disclosed herein are primarily derived from internal documents, reports and statistical results. The Board of Directors undertakes that the contents of the Report do not contain any false records, misleading statements or major omissions, and is ultimately responsible for the truthfulness, accuracy, and completeness of the Report.

2.3 REPORTING GUIDELINES

The Report has been prepared in accordance with the requirements of the mandatory disclosure requirements and "comply or explain" provisions set out in the Guide. The four ESG reporting principles of the SEHK: Materiality, Quantitative, Balance and Consistency have been applied as the four core reporting principles in the preparation of the Report.

Materiality:

Through the review of materiality issues, the Group identified and confirmed the materiality issues applicable to the Group during the Reporting Period and highlighted the relevant issues for disclosure in the Report.

Quantitative:

To comprehensively assess the Group's ESG performance during the Reporting Period, the Group disclosed the applicable quantitative KPIs in the Guide and set out the criteria, methods, assumptions and reference bases for the calculation of the quantitative KPIs, including the sources of the key conversion factors.

Balance:

The Report follows the principle of balance and objectively presents the Group's ESG performance and management status during the Reporting Period.

Consistency:

Unless otherwise stated, the Report uses the same compilation and data calculation methodology as the previous reporting period for readers to make meaningful comparisons of ESG information in the Report.

2.4 CONTACT US

We welcome your comments and suggestions on the Report. You can also contact the Group by the following methods:

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Website: <http://www.scntgf.com>
Phone: +86 (28) 8629 9666
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Email: db@scntgf.com

3. CHAIRMAN'S STATEMENT

2022 is a year of opportunities and challenges. We actively practised the principle of “green and low-carbon, technology empowerment”, dared to “break through the beach, break through the ice and break the fortress”, and with the concerted efforts of the Group, the Company’s operating income and profit increased significantly during the period.

We insisted on improving the corporate governance structure and market-oriented operation mechanism. We were awarded the title of “Enterprise Credit Rating AAA Credit Enterprise” in China, and our risk tolerance, profitability and comprehensive competitiveness steadily improved. Tianqi Lithium Hong Kong Co., Limited purchased the shares of the Company through the open market and held more than 5% of the shares, making the shareholding structure of the Company more diversified.

We have always insisted on active investment to maintain and improve the quality of power supply equipment. A number of key power engineering projects, including the 220 kV substation of Lianhua County, were successfully completed in 2022, and the Company’s power supply capacity and power supply reliability have been greatly improved. The Company actively implemented the “dual-carbon” development strategy, and explored and expanded comprehensive energy investment and construction projects such as “charging and swapping power stations (piles) +”. The first heavy-card swapping power station was put into operation in Gao County, and the first “green energy demonstration market” was completed in Pidu, gradually forming a new pattern of energy consumption and service that is “centred on electricity, multi-energy complementation, safe, green and efficient”.

We always adhere to the concept of green development. In 2022, the Company continued to strengthen the upgrading and transformation of power grids to reduce transmission losses. Focusing on ecological and environmental protection, the Company organised the proliferation and release of fish in the Hengjiang River Basin, making positive contributions to improving the ecological environment of fish upstream of the Yangtze River. The Company vigorously promoted the application of “four new” technologies, comprehensively promoted the intelligent inspection system, and continuously improved the intelligence level of the power grid.

We always adhere to the concept of safe development. We continuously improve the safety management system, strengthen the investigation and management of hidden dangers, and improve the level of intrinsic safety. We vigorously carry out safety awareness and job skills training for all employees to cultivate a safety culture with the Company’s characteristics. In 2022, the Company’s production safety situation remained stable, and there were no general or above accidents in production safety throughout the year.

We always adhere to actively fulfilling our social responsibilities. In the past year, facing the severe situation of extremely high temperature, minimum rainfall, maximum power load and other severe situations in the history of Sichuan Province during the same period, the Company took multiple measures to actively respond to the situation, and made every effort to ensure the production and daily power consumption of the public within the service scope, reflecting the social responsibility of the enterprise, and achieving a 100% satisfaction of users.

Finally, on behalf of the Board of Directors, I would like to take this opportunity to express my sincere gratitude to all shareholders, partners and customers. I would also like to express my sincere gratitude to all employees for their efforts and contributions, and to the families of our employees for their understanding and support. We will continue to reform and innovate, serve society, create value, and make continuous efforts to build a first-class modern comprehensive energy service enterprise!

Chairman
Xiong Lin

31 December 2022

4. ABOUT US

Sichuan Energy Investment Development was established in Chengdu, Sichuan Province on 29 September 2011 and listed on the Main Board of the SEHK in December 2018. It is the first H-share listed company in the domestic electricity distribution and sale industry.

We are a vertically integrated power supplier and service provider serving Yibin City, Sichuan Province, with an integrated power service model of power generation, distribution and sales. We have a stable user base and an integrated power supply network in Yibin City, which enables us to optimise the utilisation of surplus power resources in our power supply network through efficient power distribution. Our current business consists of (i) power business, which includes power generation, distribution and sales, and is divided into general power supply business and incremental power transmission and distribution business; and (ii) EECS business, which includes EECS business and sales of electric equipment and materials.

Looking forward, we will actively participate in the reform of China's power industry and extend the industry service chain; pursue acquisition opportunities to continue to expand our market share; improve the structure of power grids and the level of informatisation; strengthen cost control and continuously improve profitability; focus on diversified development, create an industrial pattern with complementary advantages, and strive to become a world-class listed company of modern comprehensive energy services, to create higher and better investment returns for all shareholders.

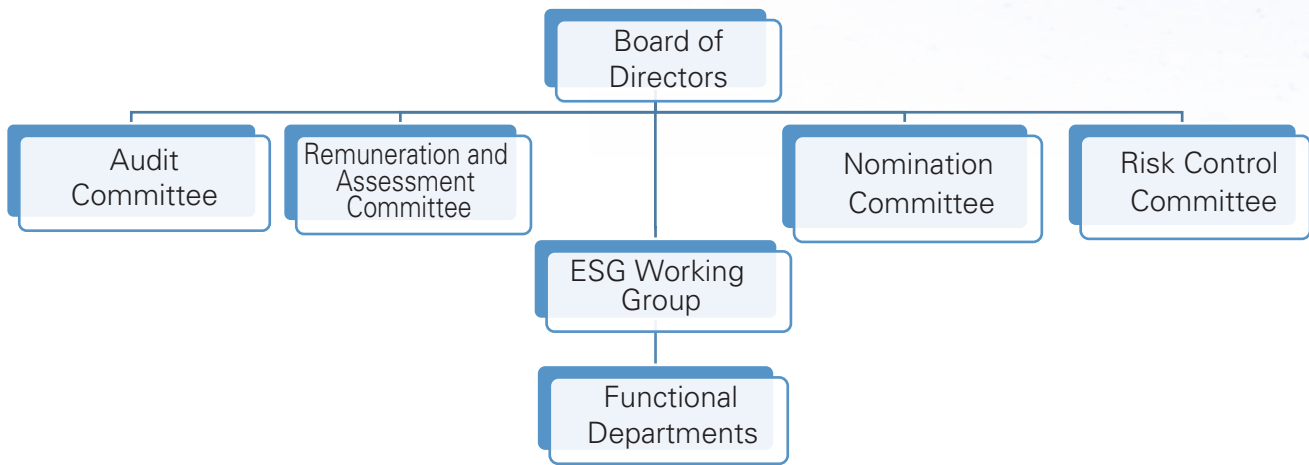
As at the end of the Reporting Period, the Group recorded revenue of RMB3,313.3 millions Yuan, representing a year-on-year increase of 4.5%. Our total assets amounted to RMB5.148 billions Yuan, representing a year-on-year increase of 11.15%. As of 31 December 2022, we owned a total of 34 hydropower plants with an aggregate installed capacity of 138,355 kW. We also have three 220 kV substations with a transformer capacity of 1,080,000 kVA, 19 110 kVA substations with a total installed capacity of 942,000 kVA and 59 35 kVA substations with a total transformer capacity of 603,900 kVA.

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

5.1 ESG GOVERNANCE STRUCTURE

Sichuan Energy Investment Development has established an ESG management structure under the supervision of the Board of Directors to manage sustainability issues in a unified manner, ensuring that ESG considerations are incorporated into all operational and business decisions, and comprehensively advancing the Group's sustainable development process.

The Group has established an ESG Working Group. The ESG Working Group is composed of representatives from functional departments involved in ESG matters of the Group and ESG-related responsible personnel of each subsidiary, and the ESG responsible person of the Group acts as the leader of the ESG Working Group, reports to the Board of Directors on ESG matters, and gives relevant opinions to the Board of Directors the management or relevant departments when necessary.



The Board of Directors is the highest decision-making body for the Group's ESG governance and is responsible for overseeing the overall ESG strategy; reviewing and making decisions on ESG risks and opportunities related to the Group's business; ensuring that appropriate and effective ESG management and internal control systems are in place; formulating ESG management policies, strategies, priorities and objectives; regularly reviewing the performance of ESG objectives; and approving the disclosure in the ESG reports.

The ESG Working Group is authorised by the Board of Directors to participate in the Group's ESG-related work, and its responsibilities include coordinating the implementation and execution of all ESG-related work by the functional departments of the Headquarters and subsidiaries; to report to the Board of Directors on material ESG issues and work performance on a regular basis; communicating the Group's strategies and specific initiatives in ESG management; collecting and reporting ESG-related management measures and performance; collecting the information required for the ESG report from the functional departments of the Group and submitting the report to the Board of Directors for approval. Based on the actual situation of ESG-related work, the ESG Working Group will formulate improvement suggestions to the members of the Board of Directors, so that the Board of Directors can continuously and effectively implement ESG supervision matters.

All functional departments and subsidiaries are responsible for the management and data collection of specific ESG issues, and carry out relevant work in accordance with the ESG management system and process.

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

5.2 ESG RISK MANAGEMENT

A sound and effective risk management system is an integral part of corporate governance. We have a sound risk management system, which is further extended to sustainable development management, so as to identify, evaluate, prioritise and manage the major ESG risks that may be exposed to in the course of operation, enhance the Group's risk management and control culture, and lay a solid foundation for our sustainable development.

The Board of Directors has overall responsibility for evaluating and determining the Group's material ESG risks, and ensuring that the Group establishes and maintains appropriate and effective risk management and internal control systems.

The Board of Directors has established the Risk Control Committee, which is authorised to supervise the formulation, implementation and monitoring of the risk management and internal control systems by the management. We integrate ESG risks into the existing risk management system, and identify and manage ESG risks related to the Group's business based on the risk management process. The Risk Control Committee regularly reviews and advises the Board of Directors on the Group's risk-related matters, including ESG risks.

1. The Risk Control Committee and its working group are responsible for leading the risk identification and following up with relevant departments at the management level
2. Carry out risk analysis and select areas with higher risk
3. Departments in the corresponding areas describe the risks
4. Summarise risks in various fields and prepare risk reports
5. Risk reports shall be submitted to the Risk Control Committee of the Board of Directors for consideration and submitted to the meeting of the Board of Directors after consideration

The material ESG risks identified by the Group in 2022 and the corresponding measures are as follows:

Material ESG risks	Potential impact	How we respond
Extreme weather risk	More frequent extreme weather will lead to heavy rainfall, thunderstorm and storm, which will cause serious damage to power supply facilities such as power lines and wire rods.	In order to ensure normal production and operation, we continue to strengthen the construction of emergency response capabilities. The Group has formulated systems such as the <i>Emergency Plan for Severe Weather Disaster</i> and the <i>Emergency Plan for Preventing and Responding to Wind Weather Accidents</i> to improve emergency response capabilities, reduce the damage to people's lives and property safety caused by extreme weather, and assist in the recovery of the affected areas as soon as possible.
Fire risk	The Group's transmission and distribution facilities are mostly installed in outdoor open areas and forest fires will cause physical damage to the Group's assets.	The Group implemented the unified arrangement for forest fire prevention in Sichuan Province, and avoided the laying of routes in forest areas through reasonable deployment of insulation lines, high span and electrical protection, and strengthened the monitoring and control of power supply equipment to continuously improve the fire prevention level of equipment and prevent fire risks. No forest fire reports were received during the Reporting Period.

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

Material ESG risks	Potential impact	How we respond
Water risk	The Group's power generation mainly relies on water resources, and the drought and decrease in rainfall caused by climate change will affect the Group's hydropower generation.	Increase the reserve of purchased power to facilitate needs from time to time; During non-drought seasons, water is stored as much as possible according to the reservoir volume; Reduce the power consumption of high-energy-consuming enterprises, promote the orderly use of electricity, and try its best to ensure the consumption of electricity (electricity for people's livelihood).
National energy policy risk	The Group's high-energy-consuming users have self-built residual heat power generation, so the policy has little impact on the sales end and provides broader opportunities for the power generation end.	In order to adapt to the trend of a new round of technological and industrial transformation, meet the needs of power system reform and further promote high-quality development, the Group actively develops smart integrated energy and transforms itself into a smart integrated energy service provider. During the Reporting Period, Sichuan Energy Investment Development entered into cooperation agreements with the People's Government of Junlian County and the People's Government of Xingwen County respectively, which will focus on extensive and in-depth cooperation on projects such as urban smart comprehensive energy service stations, heavy card replacement, charging posts, photovoltaic power distributed energy, and urban distributed comprehensive energy.
Talent training risk	Failure to provide suitable and effective training to employees may adversely affect the competitiveness and development of the Group; Inappropriate training may cause unnecessary waste of the Group's resources.	<p>The human resources department evaluates and adjusts the human resources strategy every year, supervises each subsidiary to formulate the training plan for the next year, and ensures that the content of employee training covers the Group's human resources planning and employee position requirements. At the same time, the human resources department actively conducts interviews with the Group's senior management, department heads and the human resources department of subsidiaries to achieve comprehensive corporate development through optimising employee training programmes.</p> <p>After the training, each department of the Headquarters and each subsidiary will invite the training organisation department and the participants to fill in the training record, and report to the human resources department of the subsidiary for record and filing, for the human resources department to review the participants and the training content, and continuously improve the training plan.</p>

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

Material ESG risks	Potential impact	How we respond
Health and safety risks	Safety accidents that occur during the operation of projects will cause harm to employees and electricity users.	<p>In order to prevent and curb all kinds of safety accidents, we carried out inspections on key time slots, important areas and important parts, and continued to investigate and rectify hidden dangers of safety production risks.</p> <p>For facilities such as power substations and dispatch centres, the senior management regularly conducts supervision on key projects and special inspections on production safety before/quarterly to ensure the safe and stable operation of power grid equipment.</p>
Risk of talent loss	The competitiveness of an enterprise may be affected by the loss of talent. The enterprise needs to re-recruit employees and provide training, and the cost of human resources will increase accordingly. The Group's operation may also be affected by the resignation of key employees.	<p>According to the <i>Measures for Employment Management</i> in the Human Resources Department will re-evaluate and analyse the employee structure of the Group every year, and formulate the talent demand and employment plan for the next year according to the vacancy of positions and the needs of key talents and professional talents to ensure the stable operation and production of the Group.</p> <p>In accordance with the relevant national policies, the Group actively promotes the construction of a talent promotion channel and salary system that combines management, technology and skills, and continuously improves it based on the actual situation of the Group, so as to provide employees with sound salary and welfare guarantees and enhance their sense of belonging.</p>
Risk of fraud and bribery	Corruption, corruption and other acts or events within the Enterprises may affect the operation of the Group and damage the interests of the Group and shareholders.	The Group has formulated the <i>Anti-fraud and Bribery Management Measures</i> and the <i>Assessment Measures for the Responsibility System for the Construction of Party Conduct and Clean Government</i> and other systems. The Discipline Inspection and Supervision Department is responsible for leading the organisation and implementation of anti-fraud and anti-bribery work within the Headquarters of the Group and its subsidiaries conducting continuous supervision, leading all departments and subsidiaries of the Group to conduct annual fraud risk assessment, reporting to the management on the implementation of anti-fraud and anti-bribery work, accepting the supervision of the Board of Supervisors, helping to hold integrity publicity training and symposium activities, and conducting anti-fraud and anti-bribery case investigations. At the same time, the Group has established the <i>Whistle-blowing Management System</i> , the <i>Measures for Handling Whistle-blowing Letters and Visits</i> and the <i>Administrative Measures for Discipline Inspection and Supervision of Case Files</i> setting out the reporting channels for fraud and bribery.

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

5.3 ESG TARGETS

The Group has been advocating and implementing responsible operation philosophy over the years. Through the responsible business operation, the Group is committed to taking into account the environmental, social and economic benefits, and has formulated the “overall goal of green enterprise construction” to further promote and implement ESG work. We ensure that sustainability is embedded in every aspect of our operations and all business decisions.

In order to ensure the stable achievement of ESG goals and guidelines, the Board of Directors authorises the ESG Working Group to review the work progress every year, and formulates the following strategies for environmental-related indicators:

Emission Reduction Strategy

The Group will gradually phase out vehicles with high emissions and control the emissions of newly purchased vehicles in accordance with the relevant requirements of the provincial government on the reform of official vehicles, so as to reduce the emission of greenhouse gases and pollutants from official vehicles and machinery.

Waste Reduction Strategy

For sulphur hexafluoride, the only hazardous waste generated in the production and operation process, we select high-quality circuit breakers and dispose of the circuit breakers within the designed useful life. Therefore, only a very small amount of sulphur hexafluoride is produced each year. When the circuit breaker is scrapped, the Group strictly complies with the requirements of hazardous chemicals management and entrusts companies with experience in hazardous waste disposal to assist in disposal.

Energy Efficiency Strategy

In order to actively respond to the national energy-saving guidelines and policies, the Group has set medium and long-term goals for energy conservation to further reduce energy consumption. During the transmission and distribution process, we will gradually replace high-loss transformers with more energy-efficient transformers to reduce the line loss of distribution network technology. In addition, through major measures such as appropriate adjustment of the operating voltage of the power grid, we have successfully reduced waste in the transmission of electricity, improved transmission efficiency and reduced production costs.

Water Efficiency Strategy

In the process of hydropower generation, the Group uses a large amount of river water resources, and the river water discharged after the power generation process does not constitute any consumption and discharge. We insist on integrating water conservation into every detail of the action. For domestic water that is relatively less polluted, we intend to gradually set emission targets for the Group’s power generation units to promote the full recycling of domestic sewage in a short period of time, and further use it for irrigation of green space in or near the power plant area, so as to achieve the long-term goal of zero discharge of domestic sewage.

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

5.4 STAKEHOLDER ENGAGEMENT

Effective communication with stakeholders is a key part of ESG management. Our key stakeholders include government and regulatory authorities, investors, employees, customers, suppliers and the community. Through diverse methods and channels, we actively engage in dialogue with various stakeholders, communicate with them, and respond to their needs and expectations in a targeted manner.

Stakeholders	Key concerns	Communication methods	Key actions in 2022
Governments and regulatory authorities	<ul style="list-style-type: none"> – State-owned assets preservation and appreciation – Fulfil social responsibility – Enhance business environment – Boost economic development – Safe and reliable power supply – Environmental protection measures in place – Legal and Compliance Operations 	<ul style="list-style-type: none"> – Participate in related policy discussions and compile a special investigation report – Conduct seminars – Compliance disclosure 	<ul style="list-style-type: none"> – Implement national policies – Comply with national laws and regulations – Enhance business environment – Cooperate with compliance supervision – Fulfil social responsibility
Investors	<ul style="list-style-type: none"> – Financial performance – Corporate governance – Return on investment – Corporate transparency – Corporate sustainable development 	<ul style="list-style-type: none"> – Shareholders general meeting and other shareholders meetings – Regular reports, announcements, circulars and information disclosed on the website of SEHK – Corporate website and emails 	<ul style="list-style-type: none"> – Hold shareholders general meeting and Board of Directors meetings regularly – Disclose announcements and in a timely and accurate manner
Employees	<ul style="list-style-type: none"> – Salary and benefits – Rights protection – Career development – Safety and health – Corporate culture 	<ul style="list-style-type: none"> – Employee supervisor in the supervisory board – Trade union organisations, employee representatives – Employee opinion surveys, employee discussions, and unobstructed feedback channels – Increase information disclosure 	<ul style="list-style-type: none"> – Cultivate and establish corporate culture – Strengthen employees' professional skills training – Protect employees' rights and benefits – Guarantee employees' health and safety

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

Stakeholders	Key concerns	Communication methods	Key actions in 2022
Customers	<ul style="list-style-type: none"> – Safe and reliable power supply – Legal prices and regulations – High quality and efficient service – Timely response 	<ul style="list-style-type: none"> – Publish service information – Customer visits – Communication during service – Service hotline and electricity business mobile application – Customer opinion survey processing and feedback 	<ul style="list-style-type: none"> – Efficient dispatch and reliable power supply – Adjust electricity prices according to policies – Emergency response in case of disaster – Sincere service and customer first – Clear authority and protect privacy – Innovative services for users
Suppliers	<ul style="list-style-type: none"> – Jointly comply with business ethics and national laws and regulations – Strictly comply with environmental protection policies and regulate safety management – Keep promises, mutual benefit and win-win 	<ul style="list-style-type: none"> – Publish supplier and contractor management regulations – Share management experience and technical standards – Daily business communication – Increase information disclosure 	<ul style="list-style-type: none"> – Establish an open and transparent project bidding system – Prepare legal and equal cooperation contracts – Actively communicate and coordinate with contractors to create a safe and healthy operating environment – Provide equal opportunities for suppliers
Community	<ul style="list-style-type: none"> – Targeted poverty alleviation – Community Building – Volunteer activities 	<ul style="list-style-type: none"> – Communicate with local governments – Public volunteer activities – Community visits and exchanges 	<ul style="list-style-type: none"> – Targeted poverty alleviation – Focus on grid power construction – Focus on public welfare – Carry out volunteer activities

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

5.5 ASSESSMENT OF MATERIAL ESG TOPICS

Stakeholder engagement is an important tool for evaluating material ESG topics. The Group invited stakeholders to conduct a materiality assessment to ensure that the Report addresses the key topics of concern to the Group in a targeted manner. The following illustrates the detailed process of the materiality assessment:

Step 1: Identify major stakeholders and update the pool of ESG topics

The Group considered the “degree of impact on the enterprise”, “degree of impact by the enterprise” and other factors of stakeholders, and formulated a list of key stakeholders participating in this materiality assessment. At the same time, with reference to the compliance requirements of the ESG Guide, the previous year’s pool of ESG topics and the peer benchmarking analysis, we selected 16 ESG topics related to the Group and updated the Group’s pool of ESG topics.

Step 2: Invite key stakeholders to participate in the assessment

We invited major internal and external stakeholders identified in Step 1 to participate in this materiality online survey. Stakeholders involved include directors, management, employees, shareholders/investors, customers, suppliers and the community. Internal and external stakeholders ranked the ESG topics in ESG aspects by importance from the Group’s perspective and their own perspective, respectively.

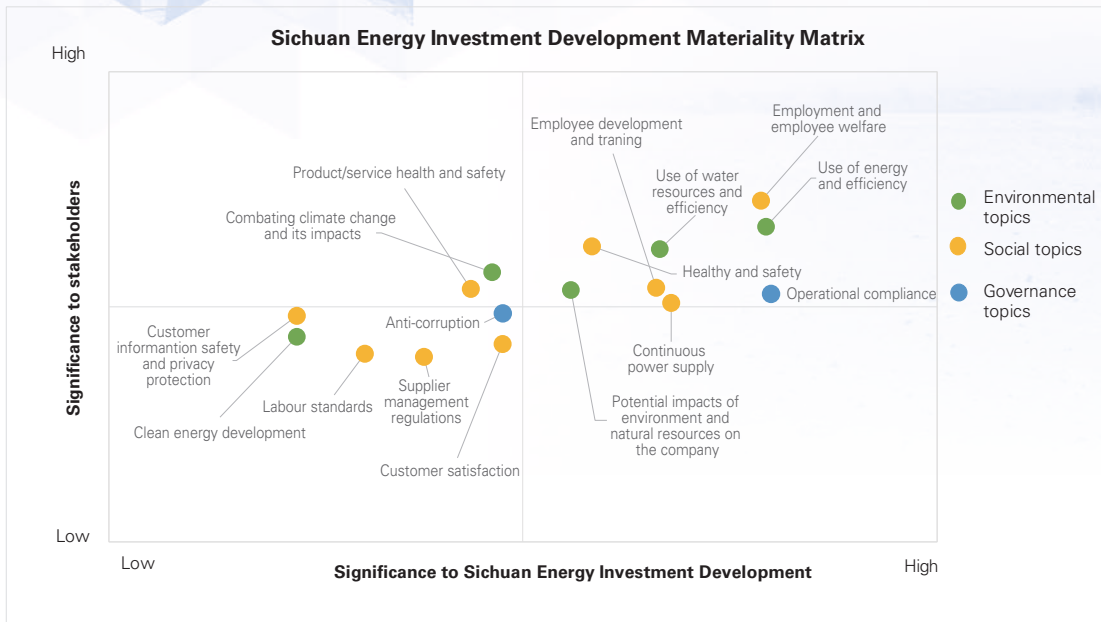
Step 3: Identify material topics

The Group reviewed the importance of ESG topics at each level based on two dimensions, namely “significance to stakeholders” and “significance to Sichuan Energy Investment Development”. We consolidated the ranking of all internal and external stakeholders to determine the relative importance of ESG topics in two dimensions. The ESG topics are considered as “material topics” with a relative importance of half or more in both dimensions. We identified a total of 8 material topics in three ESG aspects.

Step 4: Invite the Board of Directors to determine material topics

Board of Directors are invited by email and in writing to confirm the results of the material topics to ensure that the results are in line with the Group’s sustainable development strategy. We have made detailed disclosure of material topics in the subsequent sections of this report to specifically address stakeholders’ concerns.

5. SUSTAINABLE DEVELOPMENT MANAGEMENT



Materiality ranking (From high to low)	2022 material ESG topics
1	Use of energy and efficiency
2	Use of water resources and efficiency
3	Operational compliance
4	Employment and employee welfare
5	Health and safety
6	Employee development and training
7	Continuous power supply
8	Potential impacts of environment and natural resources on the company

Based on the results of the above materiality assessment, we will focus on the disclosure of the above matters in this report to effectively respond to the ESG topics that the stakeholders are concerned about, and at the same time help us focus on the work of sustainable development.

6. ROBUST OPERATION

The Group always insists on carrying out production and operation activities in accordance with the law, and improves the corporate management system while continuously improving the level of corporate governance. We are committed to providing customers with high-quality services, effectively improving customer satisfaction and safeguarding the rights and interests of customers. At the same time, we continuously improve the environmental and social risk management level of the supply chain, and further promote the construction of corporate integrity culture to continuously promote the sustainable development of the Group.

6.1 QUALITY GUARANTEE

To ensure and continuously improve the quality of its services, the Group strictly complies with the following laws and regulations that have a significant impact on the Group relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress during the Reporting Period (including but not limited to):



6.1.1 Safe Power Supply

The Group has always been committed to ensuring the safe operation of power grids and the stable supply of electricity, ensuring the provision of safe and reliable electricity services to customers, and effectively ensuring the safety of life and property of the general public. We sell electricity mainly from the Group's own hydropower plants and electricity purchased from third-party suppliers. Through a series of power supply facilities, including step-up, step-down substations, transmission and distribution lines (for terminal users), we provide high-quality power supply services to industrial, commercial, household and other users.

In order to implement the requirements of laws and regulations such as the *Electric Power Law of the People's Republic of China*, and the *Rules of Power Supply Business* in relation to power supply safety and power grid management, the Group has formulated policies such as the *Environmental and Safety Targets Management System* and *Safety Production Management Standards* to standardise internal safety production management and continuously improve the level of power supply service. In addition, in order to achieve stable power supply, voltage and frequency, we have carried out technical transformation of old equipment, improved the power grid structure, and strengthened the repair and maintenance of equipment to ensure that the equipment is in good condition, so as to further improve the reliability of power supply and power quality. During the Reporting Period, the Group did not advertise, but instead, focused on improving the quality of power supply service and providing better services to customers. The power supply service provided did not involve labelling. Therefore, there was no relevant internal policy.

6. ROBUST OPERATION

The Group strictly complies with the relevant requirements of the *Rules of Power Supply Business* to conduct power supply quality inspection to ensure the provision of high-quality power supply services to customers. The rules set out in detail the specific implementation process and evaluation criteria for power supply quality inspection, covering the permitted deviation of power supply frequency under normal operating conditions of the power system, evaluation indicators for planned maintenance of power supply equipment, etc. When the power supply equipment is scheduled to be repaired, the power supply enterprise shall provide power to users with a voltage of 35 kilovolt or above, and the number of power outages shall not exceed once a year; For users of 10 kilovolt voltage, it should not exceed three times a year to ensure high-quality power supply services. The nature of the Group's business is mainly power generation, transmission and distribution. Therefore, the product recall procedures are not applicable to this Report.

Grid comprehensive voltage passing rate

Towns 98.89%

Rural 98.79%

Electricity supply reliability rate

Towns 99.84%

Rural 99.67%

6.1.2 Customer Service

Instead of advertising, the Group places more emphasis on providing high-quality electricity supply services to its customers. As an important part of our business, we always adhere to our customer-oriented service philosophy to ensure that our customers enjoy high-quality service experiences and actively maintain good relationships with our customers. At the same time, we have also introduced systems such as the *Environmental and Safety Targets Management System* to further improve the Group's safety and environmental protection system, standardise safety production, and further ensure the provision of safe and reliable power supply services for customers.

Effective communication with customers and good customer satisfaction are the keys to improving the Group's service quality. Therefore, we actively listen to customers' opinions and suggestions to continuously improve service quality. We publicly promoted the National Energy Supervision and Management Hotline 12398, and publicly accepted social supervision, listened to and responded to customers' complaints or inquiries about power supply services. At the same time, we have also formulated the *Administrative Measures for the Reporting of Complaints about Power Supply Services (Trial)*, which clearly states that we should follow the principle of "speed, flexibility and accuracy" when handling complaints and reports, and regulates the department responsibilities and division of labour in handling complaints and reports on power supply services, the definition and classification of complaints and reports, the acceptance and handling procedures of complaints and reports.

Customer service hotline 12398

Administrative Measures for the Reporting of Complaints about Power Supply Services (Trial)

Based on the content and nature of the complaints, the operation management department of the Headquarters and the marketing department of each subsidiary classify them and submit them to the relevant departments for handling after filling out the complaint acceptance form. The relevant department will complete the investigation and reply to the complainant within five working days. During the Reporting Period, we received a total of 31 customer complaints, all of which were investigated and responded to in a timely manner in accordance with the procedures stipulated in the *Administrative Measures for the Reporting of Complaints about Power Supply Services (Trial)*.

In addition, in order to understand customers' satisfaction with the services we provide, we listen to customers' opinions and suggestions on us through various channels such as on-site services, customer visits, safe electricity consumption publicity and satisfaction surveys, and improve service quality on this basis. At the same time, we also invite customers to fill in the Customer Questionnaire Survey and grade items such as power supply safety, power supply stability, power supply information communication, and payment services.

6. ROBUST OPERATION

During the Reporting Period, our total score in the annual customer satisfaction survey was 100 out of 100.



6.1.3 Information Security and Privacy

Protecting customer privacy has always been an important part of the Group's work. As the Group's operations involve a large number of privacy of end users and individual users, we have established a comprehensive network management and information security system to prevent customer privacy leakage and protect the Group's information security. At the same time, to improve network security management, we have formulated the *Marketing System Access Authority Management Specification and Network Security Management Measures* to regulate the management of authority in the information system, including management principles, authority application procedures, division of work among units, etc., and authorise confidential information at different levels to ensure that only authorised personnel within the business scope can access customer information.

In addition, the Measures also detail various aspects of network security management. The Information Security Centre is responsible for the Group's network management and information security system construction and maintenance, and will regularly monitor and analyse network security through the use of equipment and technologies such as intrusion detection and vulnerability scanning. In the event of network anomalies and serious business impact, the centre will report to the superior in accordance with the incident handling process to ensure that the network equipment is in safe operation status, and protect customer privacy and the Group's information security.

6.1.4 Maintenance and Protection of Intellectual Property Rights

The Group strictly abides by the *Patent Law of the People's Republic of China*, *Copyright Law of the People's Republic of China* and other laws and regulations related to intellectual property rights. In addition, we have established internal intellectual property protection measures based on the above laws and regulations. In the process of cooperation with other enterprises, we have adopted the method of signing the Confidentiality Agreement and other legal documents by both parties to strengthen the protection of trade secrets and intellectual property rights involved in the business.

We attach great importance to the protection of intellectual property rights. To promote the use of genuine software and clarify the main responsibilities of relevant work, we have issued the *Notice on Adjusting the Members of the Software Authentication Working Group*, and established relevant regulations and measures for the standardisation of software to coordinate and carry out various work. In order to ensure the normalisation, standardisation and institutionalisation of the use of genuine software of the Group and strengthen the management of the use of genuine software, we also cooperated with the publication of the *Administrative Measures for the Authentication of Software* to establish a sound and long-term mechanism. At the same time, according to the business needs of the Group, we have formulated a genuine software procurement plan and purchased WPS and CAD genuine software to ensure safe operation, improve the security of information systems and avoid infringement risks.

6. ROBUST OPERATION

6.2 SUPPLIER MANAGEMENT

The Group adopts an integrated development model and further promotes the sustainable development of the enterprise by integrating supply chain management into all aspects of the enterprise's production and operation. The Group actively performs green procurement, strives to build a responsible supply chain, maintains good strategic cooperation with suppliers, and promotes the development of supply chain partners and the Group.

The Group's major suppliers include State Grid Sichuan Electric Power Company Yibin Power Supply Company, Yunnan Power Grid Corporation Zhaotong Power Supply Bureau, grid-connected hydropower stations in the supply area and grid-connected hydropower stations outside the supply area. In terms of engaging power suppliers and identifying their environmental and social risks, we strictly comply with the requirements of the *Electric Power Law of the People's Republic of China*, *Environmental Protection Law of the People's Republic of China*, *The Law of the People's Republic of China on Appraising Environmental Impacts* and *Rules of Power Supply Business*. While considering the assessment indicators such as power quality and power supply price, we strictly review the potential impact and risks of suppliers on the environment and society, such as ensuring that suppliers provide products that meet the national environmental protection standards, and monitoring whether suppliers have records of violations of laws and regulations due to pollution of the ecological environment in the course of business.

In the process of performing contracts, suppliers must provide products that meet both quality standards and environmental protection requirements and carry out special environmental inspections as needed. In order to urge cooperative enterprises to implement their internal environmental protection and management regulations, and to review the environmental and social risks of suppliers, we regularly check the compliance of suppliers with social and environmental related regulations, such as the *Electric Power Law of the People's Republic of China*, *Environmental Protection Law of the People's Republic of China*, *The Law of the People's Republic of China on Appraising Environmental Impacts* and *Rules of Power Supply Business*. In the event that the suppliers fail to properly handle the relevant environmental and social risks, or violate the relevant systems or regulations, we will impose severe penalties and require them to rectify within a time limit; in case of severe conditions, we will require the suppliers to suspend the work for rectification or terminate the contract with them.

At the end of the Reporting Period, the Group had a total of 283 power procurement suppliers, and all of them have implemented the above procurement management policies. The number of the Group's electricity procurement suppliers by major regions where services are provided is as follows:

Cuiping District	Xuzhou District	Gao County	Gong County	Junlian County	Xingwen County	Pingshan County
24	24	25	45	78	61	26

6. ROBUST OPERATION

6.3 ANTI-CORRUPTION

In order to prevent bribery, extortion, fraud and money laundering in the enterprise, the Group strictly complied with the following laws and regulations that have a significant impact on the Group during the Reporting Period (including but not limited to):

<i>Criminal Law of the People's Republic of China</i>	<i>Anti-Money Laundering Law of the People's Republic of China</i>	<i>Anti-Unfair Competition Law of the People's Republic of China</i>
<i>Company Law of the People's Republic of China</i>	<i>Anti-Monopoly Law of the People's Republic of China</i>	<i>Bidding Law of the People's Republic of China</i>
<i>Regulation on the Implementation of the Bidding Law of the People's Republic of China</i>	<i>Several Provisions on Professional Integrity of the Leaders of State-owned Enterprises</i>	<i>Supervision Law of the People's Republic of China</i>

The Group continues to deepen the construction of Party conduct and clean government, and strictly prevents bribery, extortion, fraud and money laundering through formulating internal management policies such as the *Anti-fraud and Bribery Management Measures*, the *Interim Measures for the Implementation of the Responsibility System for Improving the Party's Style of Work and Upholding Integrity*, the *Evaluation of the Implementation of the Responsibility System for Improving the Party's Style of Work and Upholding Integrity* and *Opinions on the Implementation of an Integrity Culture*. The *Anti-fraud and Bribery Management Measures* clearly defines and classifies fraud and bribery behaviours and strictly stipulates that employees shall not violate relevant laws, regulations and requirements, directly or indirectly provide, promise, accept or induce money or other benefits that aim to win improper business advantages, or obtain improper and illegal benefits through fraud, concealment or credit violation, or misappropriate the Group's property. At the same time, this management measure also regulates the division of labour, responsibilities and corresponding management measures of various departments of the Group for anti-fraud and anti-bribery work, strengthens the construction of corporate integrity culture, improves the level of compliance management, and protects the legitimate rights and interests of the Group.

In order to continuously standardise the operation and management behaviour, the Group insists on integrating anti-fraud and anti-bribery work into all aspects of daily management and corporate internal control activities, carefully identifies and evaluates the risk of fraud and bribery within the enterprise, and gradually establishes corresponding mechanisms for control. At the same time, through anti-fraud and anti-bribery training, education and publicity of relevant laws and regulations, and strengthening the supervision and punishment of fraud and bribery, the Group's overall integrity and compliance management ability was improved, and the corporate atmosphere of integrity and honesty was strengthened.

The Group has also formulated the *Whistle-blowing Management System*, the *Administrative Measures for Discipline Inspection and Supervision of Case Files* and *Measures for Handling Whistle-blowing Letters and Visits* to further standardise the reporting channels and management. Whistle-blowers can report violations of laws and regulations to the Group by phone, letter, e-mail, visit, etc. The Discipline Inspection Office of the Headquarters is mainly responsible for conducting whistle-blowing management. After receiving a report, the department will register and accept the report and submit it to the leader for approval. For the reported matters that the superior requires to report the investigation results, the department shall deal with and report them in a timely manner, and report them to the whistleblower after the reported matters are concluded. If the department does not investigate the reported matters, it shall make reasonable explanations to the whistleblower. All reported matters are recorded in the Report Registration Form. During the Reporting Period, the Group did not receive any litigation cases related to corruption, fraud or bribery.

6. ROBUST OPERATION

In order to conscientiously implement the national requirements on strengthening the construction of an integrity culture in the new era and solidly promote the construction of the Group's Party conduct and clean governance, on 25 August 2022, the Party Committee of the Group organised the Party members and cadres of the Group's Headquarters to visit the Three-Su Temple integrity culture base in Meishan to carry out integrity education. A total of 55 people including Chairman Mr. Xiong Lin, Executive Director Ms. Xie Peixi, Senior Management Mr. Ding Daijun, Ms. Li Bi, Mr. Wang Xu and Mr. Peng Wanzhang attended the event.



6. ROBUST OPERATION

With the explanation of the lecturer, all the personnel followed the footsteps of Mr. Xi Jinping, the President of the PRC, and visited the Three-Su Temple on 8 June 2022 and learned more about the history and political contributions of Su Xun, Su Shi and Su Zhe and their deeds related to integrity for the people. The majority of party members and cadres expressed that they will make history as a reference and a people-oriented perspective, consciously inherit and promote the anti-corruption culture of Dongpo and the excellent family style of "Three Su", keep in mind the principle of "making people clean, keeping a clean and conscientious team, doing things clean and doing business with integrity", take the initiative to take responsibility and dare to take action, and promise to continue to deepen the construction of clean and honest Party in the future.



7. GREEN OPERATION

While promoting business development, the Group also actively fulfils its social responsibility to protect the environment. By continuously improving the environmental protection management system at the Group level and implementing various energy conservation and environmental protection measures, the Group has achieved a balance between corporate development and environmental protection.

7.1 ENVIRONMENTAL PROTECTION MANAGEMENT

The Group has always practised the concept of green development, actively responded to climate change, and reduced the damage to the natural environment and the consumption of natural resources caused by its production and operation as much as possible. In accordance with the relevant national laws and regulations on environmental protection, the Group has formulated and revised a series of environmental management policies to regulate our use of resources, emissions, target management, investigation and management of potential environmental hazards, investment in environmental protection expenses, environmental inspection, performance rewards and punishments, etc., so as to further deepen the Group's environmental protection management.

During the Reporting Period, in order to implement green operations and promote energy conservation and emission reduction, the Group has strictly complied with the following laws and regulations that have a significant impact on the Group, including but not limited to:

<i>Water Law of the People's Republic of China</i>	<i>Renewable Energy Law of the People's Republic of China</i>	<i>Regulation on Urban Drainage and Sewage Treatment</i>
<i>Soil Pollution Prevention and Control Law of the People's Republic of China</i>	<i>Water and Soil Conservation Law of the People's Republic of China</i>	<i>Law of the People's Republic of China on Appraising Environmental Impacts</i>
<i>Cleaner Production Promotion Law of the People's Republic of China</i>	<i>Land Administration Law of the People's Republic of China</i>	<i>Environmental Protection Law of the People's Republic of China</i>

7. GREEN OPERATION

In accordance with the above laws and regulations, the Group has established and implemented the following internal environmental management policies during the Reporting Period (including but not limited to):



7.2 CLIMATE CHANGE

Climate change brings different levels of risks and opportunities to the Group and society as a whole. In order to actively respond to the challenges related to climate change, we regularly inspect and evaluate major issues related to climate change.

The Group's main business is located in hilly areas in the southeast of the Sichuan Basin in China, where airflow is frequent and regional disasters occur frequently. Climate change is likely to lead to more frequent extreme weather events, such as severe convection weather, fog, storm, thunderstorm, floods and mudslides. In order to prevent disasters caused by extreme weather and ensure the normal production and operation of the Group, the Group has formulated the *Emergency Plan for Flood Control*, *Emergency Plan for Severe Weather Disaster*, the *Emergency Plan for Preventing and Responding to Wind Weather Accidents* and *Emergency Plan for Prevention and Response to High Temperature and Drought*. Through specific extreme weather events, the Group has formulated relevant plans and measures to mitigate the impact of climate change on us and improve the overall emergency management level of the Group.

In the future, we will further strengthen our enterprise risk management and emergency response capabilities, formulate relevant strategic plans to cope with the various impacts brought by climate change risks, and actively take corresponding measures to seize the potential opportunities brought by them.

7. GREEN OPERATION

7.3 NATURAL RESOURCES

As the Group's main business is hydropower generation, our impact on the environment and natural resources is mainly concentrated on the impact of water intake from power plants on the biodiversity of fish upstream and downstream of the river. In order to manage and mitigate the relevant impact, considering the water demand of the downstream river water environment, aquatic ecology, landscape and other ecological water needs of the power station dam site, we have established an ecological flow release plan based on the technical specifications of ecological flow design and relevant guidelines, combined with methods such as hydrology and hydromechanics. At the same time, for the operation period and water storage period of the power station dams, we have determined the corresponding ecological flow drainage facilities and protection measures. In the river section of national and local key protection, rare and endangered or developed areas, we have carried out various conservation work to mitigate the impact of business operations on underwater species.

We will further increase the ecological flow of leakages when necessary. The Group strictly follows the regulations in the reservoir dispatching operation plan and conducts ecological scheduling regarding the minimum ecological flow of the power station. When the natural flow is less than the minimum ecological flow under the regulation, the ecological flow under the power station will be diverted according to the natural and actual flow at the dam site. When implementing the release of ecological flow, we give priority to the special release facilities, and carry out the design, construction and operation simultaneously with the main project to ensure the safe, stable and flexible operation of the facilities.

At the same time, we also organised various environmental protection activities, including proliferation and release, front pond slag salvage, garbage removal, etc., to enhance employees' environmental protection awareness.

On 27 October 2022, the Group launched an annual fish proliferation and release activity in Yangliutan to further protect aquatic resources. Under the joint supervision and witness of all staff, about 150,000 fish seedlings were successfully released, which is of great significance for promoting the number of fish species in the Hengjiang River Basin, maintaining biodiversity, and ensuring ecological balance and sustainable development. Since 2011, the Group has carried out fish proliferation and release activities in national and local rare and endangered areas, key protected areas or river sections of development areas for 11 consecutive years, promoting the development of fish resources in the watershed, protecting the habitats of aquatic organisms, and protecting the fish production season from business operations.



7. GREEN OPERATION

7.4 ENERGY CONSERVATION AND EMISSION REDUCTION

7.4.1 Resources Conservation

The main energy resources used in the daily operation and production of the Group include water withdrawal for power generation, power resources for power transmission and distribution, and fuel for official vehicles.

Water conservancy is the main power generation business of the Group, which belongs to clean energy power generation. Water for the Group's power generation business is mainly sourced from natural water in the Nanguang River Basin, the Hengjiang River Basin and the Songjiang River Basin, which can promote the operation of water turbine generators by taking advantage of the low water level. Natural water after power generation will be discharged to the downstream watershed, and its power generation process basically does not pollute the water resources of the downstream watershed. The Group's office and domestic water is mainly sourced from municipal pipe networks and tap water suppliers. There is no difficulty in sourcing water for power generation, office and domestic water.

In order to further save water and electricity resources used in the power business and continuously improve the efficiency of the use of water, energy and electricity, the Group has formulated four major environmental protection strategies under the scope of "Emission Reduction, Waste Reduction, Energy Consumption and Water Consumption", for details, please refer to the section 5. Sustainable Development Management. In addition, the Group has established the "Integrated Energy Business Unit" to conduct more refined management of the Group's use of resources, and has established and implemented a series of energy-saving measures. Some of the measures implemented are as follows:

Reducing Electricity Consumption

- Choose energy-efficient transformers
- Renovation of old low-voltage distribution lines to reduce the loss of distribution lines
- Adjust the voltage of the grid operation system appropriately to improve power distribution efficiency

Water Conservation

- Further optimise water management in canteens
- Post water-saving signs, strengthen the maintenance and repair of water facilities
- Carry out and strengthen water-saving publicity to further improve the water-saving awareness and behaviour of all employees
- Conduct production and operation of hydropower plants in strict accordance with the approval of the production water intake plan
- The office area strictly abides by the requirements of the domestic water intake permit. During the Reporting Period, the water consumption did not exceed the planned scope

Reducing Fuel Consumption

- Improve the registration and management system of fuel consumption of official vehicles, establish fuel consumption ledger, and strengthen the analysis of fuel consumption and fuel saving strategies
- Centralised management and dispatch of vehicles to strictly regulate the use of vehicles
- Conduct regular maintenance and repair of vehicles
- Strengthen the education of fuel conservation, further enhance employees' awareness of fuel conservation, and improve the awareness of resource conservation through regular lectures on vehicle fuel conservation

7. GREEN OPERATION

7.4.2 Emissions Management

The main sources of emissions generated by the Group in its daily operations are exhaust emissions from office vehicles, indirect greenhouse gas emissions caused by electricity consumption and loss, office and domestic sewage, domestic waste, and a small amount of oily waste generated during maintenance operations. In order to reduce the emission of air pollutants and greenhouse gases, the Headquarters and its subsidiaries have formulated relevant energy conservation and emission reduction policies according to their own operating locations and business characteristics. For example, we have formulated the *Environmental Protection Management System*, which requires the monitoring and analysis of air pollutants generated during the production process to effectively promote energy conservation and emission reduction.

The only major hazardous waste generated during the production and operation of the Group is sulphur hexafluoride, which is a chemically stable gas and can be used as a circuit breaker insulating medium and arc extinguishing medium. Due to the high global warming potential of sulphur hexafluoride, the Group attaches great importance to the procurement of circuit breakers. We have adopted high-quality circuit breakers in the process of production, power transmission and distribution. When the circuit breakers reach the designed useful life, we will dispose of them in a timely manner. In addition, we manage the use, storage and storage of circuit breakers in strict accordance with the management requirements of hazardous chemicals, and contact units with hazardous waste disposal qualifications to sign an agreement to entrust them to dispose of hazardous waste. During the Reporting Period, the Group did not experience any leakage of sulphur hexafluoride.



For a small amount of waste oil generated during the maintenance of some of our equipment, we will collect and contact certified units for transfer and disposal.

The domestic sewage generated by the Group's business locations in the urban area is discharged into the municipal sewage pipe network, and the office and domestic wastes are handled by the municipal authorities. The Group actively implements the concept of green development, encourages employees to turn off unnecessary power sources, actively adopts remote office, regulates the allocation standards of office supplies, and strictly reviews the application and purchase of office supplies to reduce unnecessary waste.

7. GREEN OPERATION

7.4.3 Environmental Performance

During the Reporting Period, the statistical data of the Group's electricity generation and sales volume, emissions and use of resources are as follows:

	Year 2022	Year 2021	Year 2020	Unit
Power generation	526,478.35	539,534.17	600,010.00	MWh
Electricity sales (The electricity for the terminal users)	4,946,966.70	4,260,354.00 ¹	3,928,688.00	MWh
EMISSION				
Air Pollutants²				
Nitrogen oxides	2,223.87	1,753.78	3,176.56	kg
Sulphur oxides	4.74	3.31	6.93	kg
Particulate matter (PM2.5)	60.29	54.27	107.37	kg
Particulate matter (PM10)	66.79	60.03	119.17	kg
Carbon monoxide	3,403.41	2,216.63	5,147.01	kg
Greenhouse Gases³				
Scope 1 ⁴	1,311.98	1,087.96	1,055.41	tonnes CO ₂
Scope 2 ⁵	192,039.71	142,330.53	97,748.97	tonnes CO ₂
Total	193,351.69	143,418.49	98,804.38	tonnes CO ₂
Intensity	0.04	0.03	0.03	tonnes of CO ₂ /MWh of electricity sales
CO ₂ emission reduction from self-generated power	300,250.60	329,169.08	366,066.10	tonnes

1 Due to inter-temporal adjustments in 2021, the electricity sales in 2021 required to be audited and adjusted. Therefore, the electricity sales in 2021 need to be changed, and the related data in 2021 also be adjusted.

2 The emissions of air pollutants are derived from the exhaust emissions of the vehicles owned and controlled by the Group within the scope of the Report. The specific emission data is calculated with reference to the *Technical Guide for the Preparation of Air Pollutant Emission Inventory for Road Vehicles (Trial)* and *Greenhouse Gas Emissions Accounting Methodology and Reporting Guidelines for Enterprises in Other Industrial Sectors (Trial)* issued by the Ministry of Ecology and Environment of the People's Republic of China.

3 Greenhouse gas emissions come from the greenhouse gas emissions of vehicles and construction machinery owned and controlled by the Group within the scope of this report, as well as indirect emissions caused by purchased electricity used in production and office, and electricity consumption in the transmission and distribution process.

4 The calculation method of emission data of greenhouse gas (Scope 1) vehicles refers to the *Greenhouse Gas Emissions Accounting Methodology and Reporting Guidelines for Land Transportation Enterprises (Trial)* issued by the Ministry of Ecology and Environment of the People's Republic of China, and the calculation method of emission of machinery refers to the *Greenhouse Gas Emissions Accounting Methodology and Reporting Guidelines for Enterprises in Other Industrial Sectors (Trial)* issued by the National Development and Reform Commission of the People's Republic of China and the *Greenhouse Gas Inventory Guidance-Direct Emissions from Mobile Combustion Sources* issued by the United States Environmental Protection Agency.

5 The calculation method of greenhouse gas (Scope 2) emission data refers to the national grid average emission factor in the *Notice on Doing a Good Job in 2023-2025 Reporting and Management of Greenhouse Gas Emissions of Power Generation Enterprises* issued by the Ministry of Ecology and Environment of the People's Republic of China.

7. GREEN OPERATION

EMISSION				
Hazardous Waste				
Waste mineral oil and mineral oil-containing waste	0.43	2.00	0.30	tonnes
Total	0.43	2.00	0.30	tonnes
Intensity	0.09	0.47	0.08	g/MWh of electricity sales
Non-hazardous Waste				
Office and domestic waste	18.89	45.09	19.62	tonnes
Total	18.89	45.09	19.62	tonnes
Intensity	3.82	10.58	5.00	g/MWh of electricity sales
Waste salvage in the reservoir area of the dam ⁶	300.00	200.00	70.00	tonnes
Waste water				
Office and domestic waste water	33,002.94	28,817.00	40,850.00	tonnes
Intensity	11.39	9.59	13.59	tonnes/person

6 Since the total amount of waste generated in the reservoir area of the front pond of the dam involves many external factors (including human disposal, salvage work in river basins, etc.), starting from 2021, the Group's waste salvage will not be counted as non-hazardous waste produced by us, so its intensity and total amount will be disclosed separately.

7. GREEN OPERATION

In response to our protection of natural resources, the Group regularly salvages waste in the water storage area in the front pond of the dam where the hydropower station is located. During the Year, we increased the frequency of salvaging waste. At the same time, we reduced the frequency of oil exchange for mechanical parts during the Year, so the amount of waste mineral oil and waste containing mineral oil decreased. During the Reporting Period, due to severe conditions such as extremely high temperatures, low rainfall and high power load in Sichuan Province, the power grid load was under certain pressure, resulting in the difficulty of self-generated power generation of Sichuan Energy Investment Development. Therefore, the purchased electricity increased sharply, and the scope 2 greenhouse gas emissions increased accordingly. In addition, we effectively implemented waste reduction measures during the Reporting Period, so the office and domestic waste were reduced accordingly.

Resources Consumption	Year 2022	Year 2021	Year 2020	Unit
Use of Resources				
Energy				
Office and production power consumption	377,430.95	408,313.13	324,455.33	MWh
Intensity	0.08	0.10	0.08	MWh/MWh of electricity sales
Gasoline	405,783.33	375,946.52	339,064.98	Litres
Intensity	0.08	0.09	0.07	Litres/MWh of electricity sales
Diesel	145,091.21	82,932.87	113,749.93	Litres
Intensity	0.03	0.02	0.03	Litres/MWh of electricity sales
Total energy consumption ⁷	382,469.46	412,480.93	328,592.69	MWh
Energy consumption intensity	0.080	0.100	0.083	MWh/MWh of electricity sales
Water resources				
Office and domestic water consumption	55,293.84	51,118.00	40,538.00	tonnes
Intensity	19.08	17.36	13.49	tonnes/person
Water withdrawal for power generation	12,225,657,485.63	12,464,831,714.47 ⁸	8,125,943,953.01	tonnes
Intensity	23.22	23.10	13.54	tonnes/kWh of power generation

During the Reporting Period, the Group faced severe conditions such as extremely high temperatures, low rainfall and high power load. As it is necessary to maintain a normal power supply, the use of diesel generators increased, and the relevant diesel consumption increased.

⁷ The calculation method of total energy consumption is based on the *Guidelines for Accounting and Reporting Greenhouse Gas Emissions of Chinese Power Generation Enterprises (Trial)* issued by the National Development and Reform Commission of the People's Republic of China.

⁸ Due to the adjustment in the calculation method for water withdrawal for power generation, the data for 2021 is adjusted.

8. CARING FOR EMPLOYEES

The Group regards employees as our valuable assets and employees are an integral part of our sustainable development. The Group adheres to the management principle of “governing the enterprise in accordance with the law, promoting the enterprise in accordance with the law and strengthening the enterprise by relying on people”, strives to establish a safe and comfortable working environment, a market-competitive remuneration system for employees, and provides a clear career development direction, so as to ensure that all team members can give full play to their potential talents and own advantages, so as to achieve the goal of common growth of the enterprise and employees.

8.1 HUMAN RESOURCES MANAGEMENT

During the Reporting Period, the Group has strictly complied with the following laws and regulations that have significant impacts on the Group, relating to the compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare (including but not limited to):

<i>Labour Law of the People's Republic of China</i>	<i>Law of the People's Republic of China on the Prevention and Control of Occupational Diseases</i>	<i>Social Insurance Law of the People's Republic of China</i>	<i>Regulation on the Implementation of the Employment Contract Law of the People's Republic of China</i>
<i>Law on the Protection of Women's Rights and Interests</i>	<i>Law of the People's Republic of China on the Protection of Disabled Persons</i>	<i>Regulation on the Employment of the Disabled</i>	<i>Labor Dispute Mediation and Arbitration Law of the People's Republic of China</i>
<i>Regulation on Paid Annual Leave for Employees</i>	<i>Provisions on Minimum Wages</i>	<i>Employment Promotion Law of the People's Republic of China</i>	<i>Regulation on Work-Related Injury Insurance</i>

In accordance with the above employment-related laws and regulations, we have formulated internal regulations such as the *Measures for the Management of the Compensation*, the *Measures for Rank Management (Provisional)*, the *Measures for Employment Management*, the *Interim Measures for Employee Leave and Attendance Management*, and the *Measures for Recruitment Management* to regulate the management of employee recruitment and dismissal, remuneration and promotion, working hours, holidays, equal opportunities, diversity, anti-discrimination, and benefits and welfare. During the Reporting Period, we did not receive any case of violation of the above employment-related laws and regulations.

8. CARING FOR EMPLOYEES

8.1.1 Recruitment and Dismissal

In order to standardise the management of employee recruitment, the Group has formulated the *Measures for Employment Management* in accordance with relevant national laws and regulations and internal regulations, taking into account the internal situation of the Group. The measures clarify that the Group's employee recruitment adheres to the principles of "scientific overall planning, hierarchical management and control" and "internal first, external first, open and equal, competitive and merit-based selection, equal emphasis on morality and ability, and morality first".

The human resources department of the Headquarters and subsidiaries of the Group adopts a clear management process for employee recruitment. Some management measures are as follows:

Headquarters	Subsidiaries
<ul style="list-style-type: none">• Establish and improve the management system• Develop and organise the implementation of annual recruitment plan• Review and direct the implementation of the recruitment plan of each subsidiary• Track and evaluate the implementation of departmental recruitment plans• Oversee and review the implementation of the recruitment plan of each subsidiary	<ul style="list-style-type: none">• Establish and improve the management system• Formulate and report recruitment plans• Organise and implement recruitment programs• Evaluate and report the recruitment implementation

The *Measures for Employment Management* stipulates that employees employed by the Group must have attained the legal working age. In addition, we review the identification of candidates through strict qualification review and background investigation to prevent the employment of child labour and forced labour. If any employment of minors is found, the Group will immediately terminate the employment relationship with them.

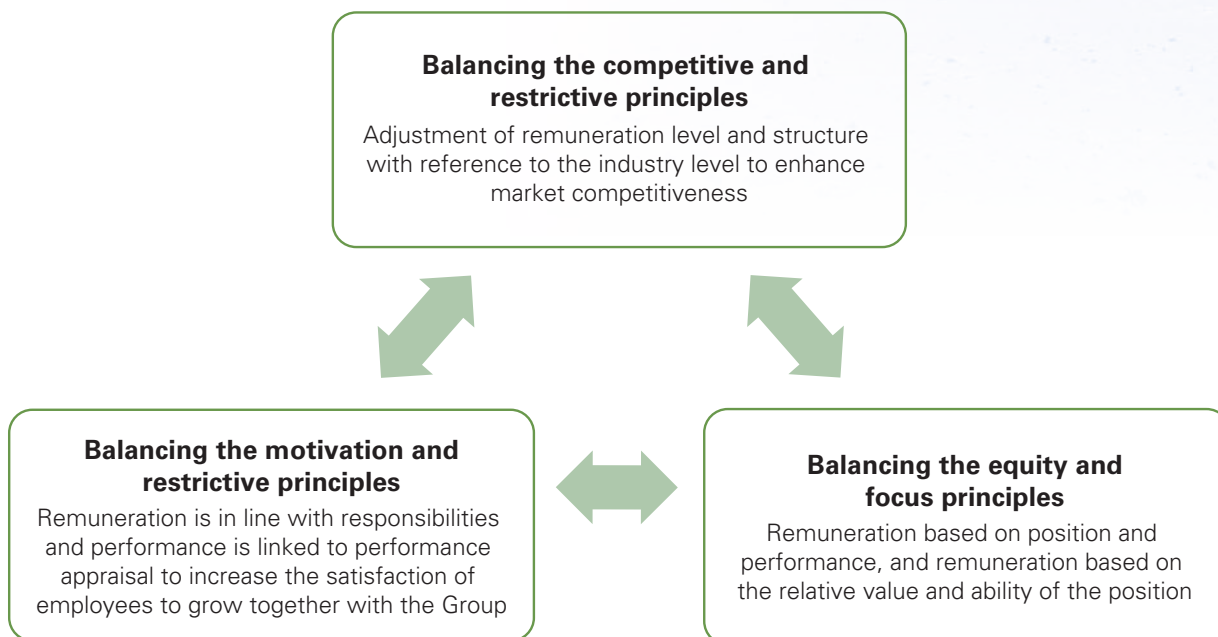
The *Measures for Employment Management* also stipulates the specific procedures for the resignation and dismissal of employees of the Group. Both the Group and the employees are required to notify the resignation or dismissal in writing in advance. The employees are required to fill in relevant documents in accordance with the regulations, complete the handover of work and transfer of employee files and social security provident fund relations, and will be issued a certificate of resignation or dismissal.

The formulation and implementation of the above management measures and regulations can ensure that the Group treats our employees with fairness and respect during recruitment and dismissal, and also ensure that the rights and interests of both the Group and employees are protected.

8. CARING FOR EMPLOYEES

8.1.2 Compensation and Promotion

The Group's Headquarters has formulated the *Measures for the Management of the Compensation* to regulate the remuneration management of employees in the Headquarters. The measures clarify a series of remuneration management related matters, including the management regulations on division of work, rank system, remuneration structure, remuneration calculation and distribution, etc. Our remuneration management is based on three basic principles:



In terms of rank management, in accordance with the principle of "talent management by the Party, comprehensive coordination, efficiency first and dynamic management", we have formulated the *Measures for Rank Management (Provisional)* to further standardise the management of the Group's rank system, broaden the career development space and career promotion channels for employees, and promote the common development of the enterprise and employees.

8.1.3 Working Hours and Holidays

The Headquarters has formulated the *Interim Measures for Employee Leave and Attendance Management* in accordance with the relevant national laws and regulations, as well as relevant internal regulations, and based on the actual situation of the Group to protect the rights of employees to have sufficient leave. We also require subsidiaries to formulate their own internal management policies with reference to the measures. The *Interim Measures for Employee Leave and Attendance Management* stipulates that the daily working hours of employees are 7 hours, and clearly defines the various types of leave and corresponding remuneration packages that they are entitled to. In addition to statutory holidays and public holidays, we also ensure that employees are entitled to sick leave, personal leave, marriage leave, maternity leave, carer's leave, breastfeeding leave, funeral leave, work-related injury leave, annual leave and other holidays.

The human resources department is responsible for the daily attendance of the Group's employees. Employee leave applications are subject to hierarchical management and approval. Meanwhile, the Human Resources Department, the Office and the Discipline Inspection Department will conduct random checks on the attendance of each department from time to time to eliminate all forms of forced labour. Once forced labour is found, we will immediately stop the relevant illegal acts and handle the personnel involved in accordance with the relevant system of the Group.

8. CARING FOR EMPLOYEES

8.1.4 Equal Opportunity, Diversity and Anti-Discrimination

We have always pursued an equal and diversified staff management policy to ensure that all employees are respected and are not discriminated against based on gender, age, religious belief, race, disability, illness, marital status or pregnancy in respect of recruitment, remuneration and promotion. During recruitment, we adhere to the principle of “openness, equality, competitive selection” and take professional knowledge, comprehensive quality, professional ability and their matching with the Group’s value system as the selection criteria. In terms of remuneration and ranking allocation, we determine the remuneration and ranking of employees based on their performance ability and contribution to ensure that they are in line with the principle of fairness in remuneration management.

8.1.5 Employee Benefits and Welfare

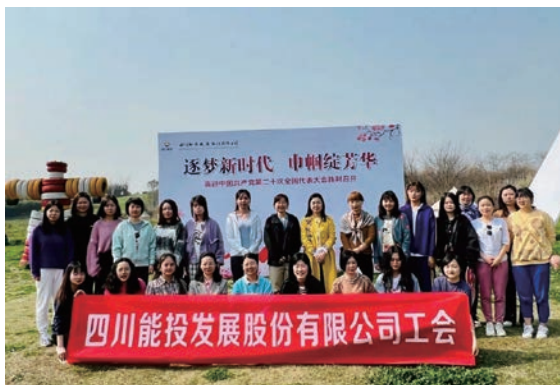
We strictly abide by the *Social Insurance Law of the People’s Republic of China*, protect the rights of employees to obtain material assistance from the state and society in accordance with the law, and safeguard employees’ social insurance and enjoy legitimate rights and interests.



2022 Single youth networking event



“Visiting Parent Units” Children’s Day



Women’s Day themed activities



“Party building + safety” knowledge competition

8. CARING FOR EMPLOYEES

In addition, as a responsible employer that cares for employees, we are committed to providing employees with good welfare benefits. During the Reporting Period, the Headquarters and subsidiaries of the Group carried out a series of diversified employee care activities to protect the physical and mental health of employees and enhance their sense of belonging and happiness.



"Red Theme" Movie Event



Employee mental health lectures



Caring activities for heatstroke prevention and cooling



Visiting employees in need and sending warmth

8. CARING FOR EMPLOYEES

8.2 OCCUPATIONAL HEALTH AND SAFETY

The Group adheres to the safety management concept of “prevention first and combination of prevention and control”, formulates a comprehensive safety management system, implements a series of employee occupational health and safety management measures and carries out various safety training. We are committed to providing employees with a healthy and safe working environment to avoid work-related injuries or occupational hazards.

During the Reporting Period, the Group has strictly complied with the following laws and regulations that have a significant impact on the Group relating to providing a safe working environment and protecting employees from occupational hazards, including but not limited to:



The Group has formulated a series of policy documents in accordance with the above laws and regulations on occupational health and safety, and in accordance with the Group's *Safety Production Management Standard*. In terms of the prevention and elimination of occupational hazards and the prevention of occupational diseases, the Group has formulated and implemented the *Occupational Health Management System*, the *Work Injury Insurance Management System*, the *Regulations of Electricity Safety Equipment Management* and other policy documents in accordance with the above laws and regulations on occupational health and safety, and the Group's *Safety Production Management Standard* to regulate the management of occupational disease hazards, work injury insurance, the use of electrical safety equipment and other aspects.

During the Reporting Period, the Group invested a total of RMB20,281,239 Yuan in health and safety production resources, and organised more than 78 hours of health and safety training in total, with more than 12,000 person-times participating in the training.

The Group recorded zero work-related fatalities in the past three reporting years (including the reporting year) and zero lost days due to work injury during the year. We will not slacken our efforts to reduce health and safety risks. In the future, we will strive to create a work environment that promotes physical and mental health.

8. CARING FOR EMPLOYEES



On 10 November 2022, the Group invited Li Kunpeng, a teacher of Chengdu Limin Fire Protection Publicity Centre, to give lectures and drills for employees to implement the work deployment of the “Fire Protection Publicity Month” of Sichuan Provincial Safety Committee, promote and popularise fire safety knowledge, enhance employees’ awareness of fire safety, and improve emergency response and escape and self-rescue capabilities.

On the basis of improving the management system, the Group has also established an occupational health and safety training system, incorporated safety training into the key points of safety work throughout the year, issued the *Key Points of Safety and Environmental Protection Work*, and carried out safety training for all employees, three-level safety training for new employees, job skills training and other work as planned, and evaluated the implementation of training. The following occupational health and safety management measures are implemented at the Group level, including but not limited to:

Management personnel allocation

- An entity with serious occupational disease hazards shall have safety management personnel for part-time occupational health management. Such personnel shall have occupational health knowledge and management capabilities corresponding to the production and operation activities carried out by the entity, and shall receive occupational health training, and shall not work until they have obtained the corresponding qualifications.

Safety equipment management

- Electrical safety equipment shall be selected from the list of qualified products of electrical safety equipment manufacturers published by the Electric Power Industry Electrical Safety Equipment Quality Supervision, Inspection and Testing Centre;
- It is strictly forbidden to select, purchase and use “three-no” (no manufacturer’s logo, no product licence, and no product certification) electrical safety tools.

Occupational health assessment

- For some engineering construction, technical transformation and technology introduction projects that may cause occupational disease hazards, pre-evaluation of occupational disease hazards shall be conducted during the feasibility demonstration stage to evaluate the factors that may cause occupational disease hazards in the project and their impact on workplace safety and labour health, and determine the types of hazards and occupational disease protection measures.

Occupational health knowledge training

- Each subsidiary must provide employees with occupational health knowledge training before and during their employment. The training includes: identification of occupational hazards, consequences of occupational hazards, self-protection methods and occupational hazard reporting methods.

Occupational health examination

- Each subsidiary organises and carries out annual physical examination for employees. The occupational health examination shall be borne by the medical and health institutions that have obtained the Medical Institution Practising Licence, and the occupational health examination expenses shall be borne by each subsidiary.

8. CARING FOR EMPLOYEES

8.3 EMPLOYEE TRAINING AND DEVELOPMENT

The Group upholds the value of being people-oriented and believes that talent cultivation is an indispensable part of human resource management. The Group firmly believes that employees are an important driving force for corporate development, so it has invested a lot of resources in employee training and career development. By improving the training management system, improving the training management system and optimising the talent growth channel, the Group encourages employees to continuously learn professional knowledge, strive to improve professional skills, and make their contributions to the development of the enterprise.

In order to standardise the management of employee education and training, promote scientific, institutionalised and standardised education and training, establish a learning organisation, and cultivate a talent team suitable for the Group's development, the Group has formulated the *Measures for the Administration of Training*. The *Measures for the Administration of Training* specifies that the Group's training shall follow the principles of "service strategy, on-demand teaching", "classification and grading, all-staff training", "value orientation, performance improvement" and "strengthening mechanism and strict management", and standardise management responsibilities, training objects, training content and methods, training plan and organisation implementation, evaluation and management, training resource construction, training fund management and training discipline.

Our training mainly covers two categories, namely business training and occupational safety training. The human resources department of the Group analyses the Group's human resources strategic planning in October every year and conducts interviews with the Group's senior management, department heads and the human resources department of subsidiaries, and requires each subsidiary to fill in the Annual Training Needs Form and formulate training plans for the following year. The four bases for the Group's training needs analysis are as follows:



8. CARING FOR EMPLOYEES

8.3.1 Business Training

The Group organises a number of professional trainings to ensure that employees continuously improve their professional knowledge and skills, and can make important contributions to the development of the enterprise while achieving personal growth. During the COVID-19 pandemic, the Group used the interactive live-streaming platform to conduct rich online training, actively encouraged employees to participate in learning, master the theoretical foundation, and improve professional skills to improve the core competitiveness of the position.



The Group conducted skill identification and assessment of electrician technicians and senior technicians through online training. The candidates write professional papers based on their own professional (job type) and related technical work, and conduct the defense assessment through remote live broadcast.

Our training is divided into different categories, including management, professional and technical, business training, safety education, continuing education, induction training, follow-up academic education, human resources, financial education, financial training, etc. Through multi-directional knowledge and skills training, we strive to comprehensively improve the business skills of employees, build a team of employees with modern enterprise operation and management capabilities and high professional standards, and provide strong talent support for our business development.



In October 2022, the Group carried out training for internal trainers of power professional skills to train talents with excellent power technology in the Group into internal trainers, so as to meet the Group's future needs for relevant technical training and enable the inheritance of professional skills.

8. CARING FOR EMPLOYEES

8.3.2 Occupational Safety Training

The Group has established an occupational health and safety training system to further strengthen the Group's safety production management, assist the Group's high-quality development, and incorporate safety training into the key points of safety work throughout the year. At the same time, the Group issues safety training plans to the Headquarters and subsidiaries every year, and carries out safety training for all employees, three-level safety training for new employees, and special operation personnel training as planned. The training covers safety production operation procedures and fire safety training. After the training, the trainees will be assessed. Those who fail the assessment will be required to participate in the same type of training and pass the examination again. Otherwise, they will not be allowed to work in accordance with relevant laws and regulations and the Group's regulations.

During the Reporting Period, we formulated work plans such as the *Key Points of Safety and Environmental Protection Work in 2022*, which clearly defined the ability to strengthen crisis management through training, and carried out weekly safety day activities to improve risk management and control capabilities.



The Group focused on improving the technical skills of frontline professional staff. On 27 May 2022, the Group held two batches of professional training on line maintenance, dispatch and transformation operation at Sichuan Vocational College of Water Conservancy. The training content includes professional skills knowledge, electric shock first aid and handling of various problems. A total of 8 subsidiaries, including 102 technicians, participated in the training.

8. CARING FOR EMPLOYEES

8.4 HUMAN RESOURCES PERFORMANCE

As of the end of 2022, the Group had a total of 2,898 employees (including 70 dispatched workers). Our human resources performance is as follows:

Number of employees and turnover

Category		Number of employees (persons)	Number of employee turnover (persons)	Turnover rate ⁹ (percentage)
Gender	Male	2,226	87	3.91%
	Female	672	64	9.52%
Age Group	Under 35 years old	567	8	1.41%
	35-50 years old	1,423	42	2.95%
	Over 50 years old	908	101	11.12%
Employment Type	Full-time contract	2,828		
	Dispatched workers	70		
Region	Chengdu, Sichuan Province	104	0	0%
	Yibin, Sichuan Province	2,792	151	5.41%
	Zhaotong, Yunnan Province	2	0	0%

Number and hours of employee training

Category		Number of employees (persons)	Number of trainees (persons)	Average training hours ¹⁰ (hours)	Training rate ¹¹ (percentage)
Gender	Male	2,226	2,226	102.01	100%
	Female	672	672	89.15	100%
Employee Category	Senior Management	66	66	82.14	100%
	Middle Management	396	396	76.48	100%
	General Employees	2,436	2,436	89.64	100%

9 The employee turnover rate is calculated by dividing the number of employee turnover in the category during the Reporting Period by the total number of employees in the category as at the end of the Reporting Period.

10 The calculation of average training hours of employees is based on the total training hours of employees in the category/the total number of employees in the category.

11 The calculation method of the percentage of employee training is: the number of trained employees in the category /the total number of trained employees in the category.

9. GIVING BACK TO SOCIETY

We uphold the principle of “integrity for enterprise and people-oriented”; With an aim to enhance value and contribute to society, on the basis of its business development, the Group actively fulfils its corporate social responsibility, pays close attention to the needs of the disadvantaged groups, climate change issues and public health events, and gives back to the society through diversified means.

9.1 ENSURING ELECTRICITY PROTECTION DURING HIGH TEMPERATURES

During the summer flood season, Sichuan Province suffered from the severe situation of power supply guarantee brought by the highest temperature, minimum hydropower, maximum load and the most long-term superimposed in the historical period, and Yibin area entered the “summer peak season of power demand”. The Group made careful deployment, refined measures, consolidated responsibilities, and strengthened the balance of dispatch. With the goal of “ensuring people’s livelihood, key points and safety”, the Group made every effort to ensure a stable and orderly power supply in the supply area, and took multiple measures to ensure the safe and stable power supply in the summer during the “summer peak season of power demand”.

The Group has established a leading group for ensuring power supply during the “summer peak season of power demand” and held special meetings to study and analyse the situation of power supply and demand. The Group has formulated the *Work Plan for Ensuring Power Supply during the summer peak season of power demand in 2022* to clarify the responsibilities and task lists of all levels and make every effort to ensure safe power production and stable power supply.

Subsidiaries pay close attention to weather changes and grid load changes, strengthen grid load prediction, carry out grid risk identification and supply-demand balance analysis according to grid load changes, and arrange grid operation methods, formulate the “summer peak season of power demand” dispatch measures and emergency plans to ensure electricity consumption. In addition, we will improve the monitoring and inspection work, and handle other tasks such as emergency rescue according to the actual situation.



In order to ensure the safe and stable operation of power grid equipment and facilities during the “summer peak season of power demand”, Sichuan Energy Investment Development has established an inspection team headed by members of the leadership team to inspect the construction sites of projects under construction in the area, put forward detailed rectification measures for the problems and hidden dangers found in the inspection and clarify the time limit for rectification.

9. GIVING BACK TO SOCIETY

Based on the actual situation, each subsidiary also carried out a full-coverage production safety inspection to ensure that the safety hazards are minimised and the risks are controllable and under control. At the same time, the Group revised the overall emergency plan for emergencies and 25 special plans such as flood control and large-scale power outages, formulated the *Plan for Orderly Electricity Consumption in the summer peak season of power demand of Regional Power Grids in 2022* and the *Plan for Guaranteed Electricity Supply in summer peak season of power demand of Power Grid in 2022*, and organised 162 emergency drills during the “summer peak season of power demand” and 151 emergency training, covering more than 1,900 people.



The Sichuan Provincial Committee of the Communist Party of China and the Provincial Government are of the view that we have fully played a demonstration and driving role in contributing to the improvement of the energy security level of the province during “summer peak season of power demand”. We also received honorary certificates from the Municipal Committee and Municipal Government of Yibin City. The outstanding performance of Sichuan Energy Investment Development in the summer of the peak season was commended by the Sichuan Provincial Party Committee and the Provincial Government as a group with outstanding contributions to the power and energy supply guarantee work in response to extreme disaster weather in 2022. The cadres and employees perform their respective duties, fully carry forward the spirit of “special ability, special ability and special dedication”, and make every effort to ensure the safe and stable operation of power supply facilities and equipment. In the future, we will further implement the corporate mission of “developing electricity for the people” and maintain a stable power supply.

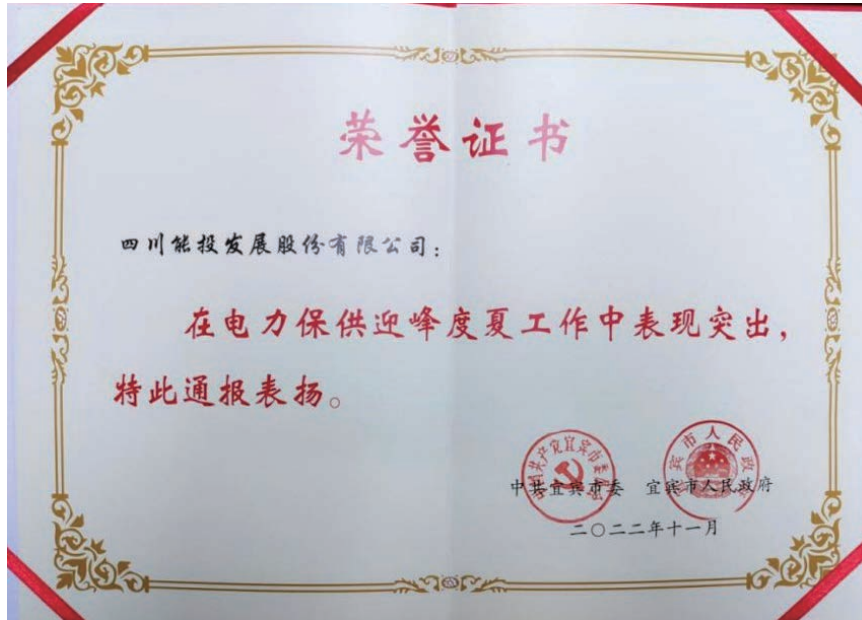
中国共产党四川省委员会

川委〔2022〕796号

中共四川省委 四川省人民政府 关于表扬 2022 年应对极端灾害天气能源电力 保供工作突出贡献集体和个人的通报

各市（州）党委和人民政府，省直各部门，各人民团体：
2022 年，面对电煤电力供应紧张的严峻形势和历史同期最高极端高温、最少降水量、最高电力负荷叠加的超预期影响，各地、各有关部门和能源保供企业坚持以习近平新时代中国特色社会主义思想为指导，认真落实省委、省政府“保安全、保民生、保重点”工作部署，深入践行以人民为中心的发展思想，坚持底线思维、极限思维，奋勇担当、迎

- 国网四川省电力公司
- 国网成都供电公司
- 国网天府新区供电公司
- 国网绵阳供电公司
- 国网德阳供电公司
- 国网广元供电公司
- 国网达州供电公司
- 国网南充供电公司
- 国网巴中供电公司
- 国网资阳供电公司
- 国网自贡供电公司
- 国网宜宾供电公司
- 国网泸州供电公司
- 国网四川省电力公司超高压分公司
- 国网四川省电力公司特高压直流中心
- 国网四川省电力公司营销服务中心
- 四川省水电投资经营集团有限公司
- 四川省天然气投资集团有限责任公司
- 四川能投发展股份有限公司**



9. GIVING BACK TO SOCIETY

9.2 ANTI-EPIDEMIC AND POWER PROTECTION FROM EARTHQUAKE

On 5 September 2022, after an earthquake of magnitude 6.8 in Luding County, Sichuan Province, in order to ensure the safety and stability of the power grid and the reliable operation of power equipment and facilities in the five counties of two districts in Yibin Supply Area, Sichuan Energy Investment Development, in accordance with the emergency deployment of the Party Committee of the Provincial SASAC, immediately understood the disaster situation, coordinated and directed earthquake relief and fatigue prevention and control, required to ensure the safety of personnel, strictly prevented secondary disasters, and ensured the power supply in the supply area. Each subsidiary immediately launched an earthquake disaster emergency plan and acted quickly. 63 party members' squad and 3 youth commandos were dispatched, with a total of 619 front-line power protection personnel. A comprehensive and detailed investigation and assessment of potential safety hazards were carried out on the substations, power supply stations, power transmission lines and power distribution facilities that may be affected by the earthquake in the region.



In the face of the complex COVID-19 pandemic situation and the earthquake in Luding County, we earnestly implemented the major decisions and arrangements of the CPC Central Committee, the provincial Party committee and the provincial government on supply security, epidemic prevention and disaster relief. We established a leading group for power supply security led by the main person-in-charge, prepared and issued the *Notice on the Establishment of Special Class for Power Protection in Industrial Park and Key Projects in Yibin City* and the *Emergency Notice on the Prevention and Control of the COVID-19 Epidemic*, further revised and improved the *Emergency Work Plan for the COVID-19 Epidemic and the Work Guidelines*, timely launched the Emergency Plan for Earthquake Disaster, and solidly carried out emergency drills to ensure stable power supply and fully fulfil the responsibilities as a state-owned enterprise.

9. GIVING BACK TO SOCIETY

The Group's employees spontaneously reported to the community and applied to become volunteers to actively participate in the prevention and control of the epidemic in the community. They actively cooperated with community staff to maintain the order of the nucleic acid testing site, transported epidemic prevention materials, actively guided the elderly to scan the test registration code, distributed nucleic acid testing supplies, etc., served the people with practical actions, and practised the solemn commitment of "I do things for the masses".



9. GIVING BACK TO SOCIETY

9.3 CARING FOR THE COMMUNITY

The Group always pays attention to the needs and development of the community, and continuously and systematically carries out a series of community care activities. In 2022, the Group invested RMB388,000 Yuan in consumption assistance, benefiting 10 villages. Send cadres to the village to give early warning and monitoring of returning to poverty-stricken households. At the same time, through volunteer services, visits and condolences, we established good relations with the local people and made self-contribution to the local community.

From 7 to 8 June 2022, the Group spared no efforts to ensure the power supply for the college entrance examinations in the supply area, actively organised the youth volunteer service team in Yibin District to carry out the volunteer service activities for supporting the college entrance examinations, set up a service point for the college entrance examinations in the area, and provided free masks, stationery, mineral water and other items for candidates and parents, and warm up the same with students.



On 12 May 2022, Sichuan Energy Investment Gong County Electricity carried out publicity of disaster prevention and mitigation knowledge into community activities. Due to the frequent occurrence of earthquakes in Gong County, we issued more than 800 brochures related to emergency self-rescue measures and distributed them to the citizens in the region, so as to improve their awareness of disaster prevention and mitigation and safe electricity consumption, and prepare for the flood season.

On 9 June 2022, the Party Committee of Sichuan Energy Investment Xingwen Electricity organised 11 Party member volunteers to carry out the volunteer service activity of "Supporting Rural Revitalisation and Demonstrating the Responsibility of State-owned Enterprises" in Guankou Village, Dahe Miaozi Township, Xingwen County, to build fire and power supply for water supply equipment in Guankou Village and solve the water supply problem for more than 400 villagers in Guankou Village.



9. GIVING BACK TO SOCIETY

In order to ensure that our business operations always care for the interests of society, the Group has formulated response arrangements and plans to provide orderly and effective assistance. Sichuan Energy Investment Gao County Electricity formulated the *Self-inspection Work Plan for Consolidating and Expanding the Achievements of Poverty Alleviation in Gao County in 2022*, promoted the rectification of problems, implemented targeted assistance measures, established a solid foundation for the annual evaluation work, and successfully completed the work of poverty alleviation in an orderly manner.



On 8 November 2022, Sichuan Energy Gao County Electricity participated in the activity of creating a provincial-level civilised city theme group day. Volunteers and community staff worked together to clean up the hygiene corners, clear the paper waste of the cigarette head, clean the roads in the community, and clean up the promotional leaflets in the community. At the same time, the Group conducted a comprehensive inspection of potential safety hazards in the community, replaced damaged street lamps in the community free of charge, eliminated potential safety hazards in a timely manner, and ensured safe and stable power consumption.



On the occasion of the International Children's Day on 1 June, the youth volunteers from Sichuan Energy Investment Gong County went to the Children's Companion Home of Wenju Community in Gongquan Town to carry out the volunteer service activity of "Warm the Children's Heart, Walk with Love" to care for left-behind children and provide them with school supplies such as school bags and stationery. Volunteers explained the knowledge related to safe electricity use and the emergency handling methods for electricity use accidents to the children, and led them to explore the mystery of electricity. Volunteers gave left-behind children a group birthday, ignited birthday candles and enjoyed delicious cakes.

10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Mandatory Disclosure Requirements	Content	Chapter Reference or Notes
Governance Structure	<p>A statement from the board containing the following elements:</p> <ul style="list-style-type: none"> (i) a disclosure of the board’s oversight of ESG issues; (ii) the board’s ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer’s businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer’s businesses. 	<p>5. Sustainable Development Management</p> <p>5.1 ESG Governance Structure</p> <p>5.2 ESG Risk Management</p> <p>5.3 ESG Targets</p>
Reporting Principles	<p>A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report:</p> <p>Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer’s stakeholder engagement.</p> <p>Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.</p> <p>Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.</p>	<p>2.3 Reporting Guidelines</p>
Reporting Boundary	<p>A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.</p>	<p>2.1 Reporting Scope</p>

10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Aspect	KPI	Content	Chapter Reference or Notes
A. Environmental aspect			
A1 Emissions	General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) 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.</p> <p>Note: Air emissions include NO_x, SO_x, and other pollutants regulated under national laws and regulations.</p>	<p>7. Green Operation</p> <p>7.1 Environmental Protection Management</p> <p>7.4 Energy Conservation and Emission Reduction</p>
	A1.1	The types of emissions and respective emissions data.	<p>7.4.2 Emissions Management</p> <p>7.4.3 Environmental Performance</p>
	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).	7.4.3 Environmental Performance
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	7.4.3 Environmental Performance
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	7.4.3 Environmental Performance
	A1.5	Description of emissions target(s) set and steps taken to achieve them.	<p>5.3 ESG Targets</p> <p>7.4 Energy Conservation and Emission Reduction</p>
	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.	<p>5.3 ESG Targets</p> <p>7.4.2 Emissions Management</p>

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Aspect	KPI	Content	Chapter Reference or Notes
A2 Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	7. Green Operation 7.1 Environmental Protection Management 7.3 Natural Resources 7.4 Energy Conservation and Emission Reduction
	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).	7.4.3 Environmental Performance
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	7.4.3 Environmental Performance
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	5.3 ESG Targets 7.4.1 Resources Conservation 7.4.2 Emissions Management
	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.	5.3 ESG Targets 7.4.1 Resources Conservation
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable to the Group's business

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Aspect	KPI	Content	Chapter Reference or Notes
A3 The environmental and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	7. Green Operation
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	7.3 Natural Resources 7.4 Energy Conservation and Emission Reduction
A4 Climate Change	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	5.2 ESG Risk Management 7.2 Climate Change
	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.	5.2 ESG Risk Management 7.2 Climate Change

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Aspect	KPI	Content	Chapter Reference or Notes
B. Social aspect			
B1 Employment	General Disclosure	Information on: (a) the policies; and (b) 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.	8.1 Human Resources Management 8.1.1 Recruitment and Dismissal 8.1.2 Compensation and Promotion 8.1.3 Working Hours and Holidays 8.1.4 Equal Opportunity, Diversity and Anti-Discrimination 8.1.5 Employee Benefits and Welfare
	B1.1	Total workforce by gender, employment type, age group and geographical region.	8.4 Human Resources Performance
	B1.2	Employee turnover rate by gender, age group and geographical region.	8.4 Human Resources Performance
	B2 Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) 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.	8.2 Occupational Health and Safety	
B2.1	Number and rate of work-related fatalities that occurred in each of the past three years including the reporting year.	8.2 Occupational Health and Safety	
B2.2	Lost days due to work injury.	8.2 Occupational Health and Safety	
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	8.2 Occupational Health and Safety 8.3.2 Occupational Safety Training	

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Aspect	KPI	Content	Chapter Reference or Notes
B3 Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	8.3 Employee Training and Development
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	8.4 Human Resources Performance
	B3.2	The average training hours completed per employee by gender and employee category.	8.4 Human Resources Performance
B4 Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	8.1 Human Resources Management 8.1.1 Recruitment and Dismissal
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	8.1 Human Resources Management 8.1.1 Recruitment and Dismissal
	B4.2	Description of steps taken to eliminate such practices when discovered.	8.1 Human Resources Management 8.1.1 Recruitment and Dismissal
B5 Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	6.2 Supplier Management
	B5.1	Number of suppliers by geographical region.	6.2 Supplier Management
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	6.2 Supplier Management
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	6.2 Supplier Management
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	6.2 Supplier Management

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Aspect	KPI	Content	Chapter Reference or Notes
B6 Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) 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.	6.1 Quality Guarantee 6.1.1 Safe Power Supply 6.1.2 Customer Service The Group's business does not involve advertising and labeling, so It have not any information regarding related policies, laws and regulations
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable to the Group's business
	B6.2	Number of products and service-related complaints received and how they are dealt with.	6.1.2 Customer Service
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	6.1.3 Information Security and Privacy
	B6.4	Description of quality assurance process and recall procedures.	6.1.1 Safe Power Supply Recalling procedures are not applicable to the Group's business
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	6.1 Quality Guarantee
			6.1.2 Customer Service 6.1.3 Information Security and Privacy

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Aspect	KPI	Content	Chapter Reference or Notes
B7 Anti-corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	6.3 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.	6.3 Anti-corruption
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	6.3 Anti-corruption
	B7.3	Description of anti-corruption training provided to directors and staff.	6.3 Anti-corruption
B8 Community Investment	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.	9. Giving Back to Society
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	9.1 Ensuring electricity protection during high temperatures 9.2 Anti-epidemic and Power Protection from Earthquake 9.3 Caring for the Community
	B8.2	Resources contributed (e.g. money or time) to the focus area.	9.1 Ensuring electricity protection during high temperatures 9.2 Anti-epidemic and Power Protection from Earthquake 9.3 Caring for the Community