



大唐環境產業集團股份有限公司

Datang Environment Industry Group Co., Ltd.*

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

(在中華人民共和國註冊成立的股份有限公司)

Stock Code 股份代號: 1272



2022

Environmental, Social and Governance Report

* For identification purpose only 僅供識別

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ABOUT THIS REPORT

This report is the seventh Environmental, Social and Governance (“ESG”) Report (the “Report”) published by Datang Environment Industry Group Co., Ltd. (the “Company”) and its primary subsidiaries (collectively referred to as the “Group”, “Datang Environment” or “we”). The purpose of the Report is to disclose the sustainable development achievements of Datang Environment in 2022, responding the concerns and expectations of various stakeholders of the Group.

Reporting Boundary

Time scope: This Report covers the period from 1 January 2022 to 31 December 2022 (the “Reporting Period” or the “Year”), which is consistent with the 2022 annual report of the Company.

Organizational scope: Unless otherwise stated, the organizational scope of this Report covers the Company and its primary subsidiaries, and the specific list of companies included is shown in the table below.

Company Name	Abbreviation
Datang Environment Industry Group Co., Ltd.	“the Company”
Datang Environment Industry Group Co., Ltd. Concession Operation	“Concession Operation”
China Datang Technologies & Engineering Co., Ltd.	“Technologies & Engineering Company”
Datang (Beijing) Water Engineering& Technology Co., Ltd.	“Water Engineering & Technology”
Datang Environment Industry Group Co., Ltd. Environmental Protection Subsidiary	“Environmental Protection”
Datang Nanjing Environmental Protection Technology Co., Ltd.	“Nanjing Environmental Protection”



Reporting Standards

This Report is prepared in accordance with the *Environmental, Social and Governance Reporting Guide* (the “ESG Reporting Guide”) as Appendix 27 of the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (the “Listing Rules”) issued by The Stock Exchange of Hong Kong (the “Stock Exchange of Hong Kong”) and strictly complies with the disclosure obligations of mandatory disclosure requirements and “comply or explain” provisions. The Report adheres to the following reporting principles:

- **Materiality:** The Report focuses on the response and disclosure of high materiality issues that are highly concerned by the internal and external stakeholders with the support of the assessment results of material issues in 2022, combined with the Company’s ESG work of the Year and changing trends.
- **Quantitative:** While continuing the practice of quantitative indicators disclosure in previous years, this Report also covers specific quantitative targets to reduce negative environmental and social impacts, demonstrating our confidence and determination to improve sustainable development.
- **Balance:** The Report reflects objective facts and discloses both positive and negative indicators. The Report has been reviewed by the board of directors of the Group (the “Board”) with no material omissions or selective descriptions.
- **Consistency:** This Report adopts the disclosing and data statistical methods consistent with the previous ESG reports, and provides the historical data to allow for meaningful comparison for readers.

Information Explanation

The information and data in this report mainly come from the Company's internal data collection system, work reports, and publicly available information, such as corporate annual reports and authoritative media publications. Unless otherwise stated, all amounts disclosed in this Report are denominated in RMB.

Feedback and Contacts

This report is available in both Traditional Chinese and English on the official website of the Company (website: www.dteg.com.cn) and the HKEX News website of Hong Kong Exchanges and Clearing Limited (website: www.hkexnews.hk). In case of any discrepancy between the information provided in the different language versions, the Traditional Chinese version shall be deemed as authoritative.

The Company sincerely looks forward to your valuable opinions and suggestions to continuously improve our ESG capabilities and standards.

Please contact us through Email: ir@dteg.com.cn.



CHAIRMAN'S STATEMENT

Reflecting on the past year, the Group has delved deeply into studying and implementing the Spirit of the 20th National Congress. We have responded proactively to the China Datang Corporation Ltd.'s (the "Group Company") call, based on the new development stage, embraced the new development concept, facilitated new development patterns, coordinated the promotion of Party building, quality enhancement, efficiency improvement, reform, and innovation, and optimized services. Our ultimate goal is to become a prominent and thriving participant in the environmental protection industry.

2022 is a critical year for Datang Environment's high-quality development and "second entrepreneurship" initiatives. Despite facing complex external challenges, we remain steadfast in our commitment to deepening reforms and expanding into new businesses, integrating multiple environmental elements such as clear skies, clean water, and pure land into our business development. We will maintain our industry-leading position in areas such as desulfurization and denitrification concession operation and denitrification catalysts, while making significant breakthroughs in new industries such as decentralized photovoltaics and energy storage. Our focus remains on continually improving the quality of our development.

Datang Environment recognizes the critical importance of sustainable development to businesses and has established a three-level ESG governance framework with the board of directors as the highest decision-making body. We have effectively identified various types of risks, including ESG risks, to ensure the stable operation of the group. We have always maintained close communication with all stakeholders to promote a harmonious society that benefits all. Under an effective ESG governance system, Datang Environment has acquired an A-level rating in the Wind ESG rating, ranking in the top among 174 peers in the commercial services and supplies industry in terms of comprehensive scores.

Datang Environment places strong emphasis on compliance management and is firmly committed to preventing any violations, corruption, and other irregularities from occurring. We have implemented stringent warning and education activities to instill a culture of honesty and integrity in every employee, attach great importance to safety production, and have established a safety production responsibility system, strictly defining and clarifying the responsibilities of safety production, with the safety and health of every employee as a top priority. At the same time, we keep pace with the times and continue to incorporate more environmental, social, and governance considerations into our supply chain management, actively promoting the healthy development of sustainable supply chains.

Datang Environment recognizes that innovation and product quality are the driving force for high-quality development and productivity. As such, we have increased our investment and efforts in innovation research. In 2022, the Company has achieved fruitful innovative achievements, investing a total of RMB 181.10 million in research and development, resulting in 40 utility model patents and 16 invention patents. The Company has made significant strides in scientific and technological innovation. While encouraging innovation, Datang Environment strictly adheres to the laws and regulations on intellectual property protection, and takes practical actions to safeguard scientific research and innovation.

Datang Environment is unwavering in its commitment to implementing environmental responsibility at all levels, strengthening environmental risk assessment, and strictly reducing all types of emissions generated during its operations. We are leveraging innovative technologies to provide more effective approaches for the disposal of emissions, as well as efficiently utilizing various energy resources. Currently, we are promoting 23 distributed photovoltaic development projects, which will help advance the application of clean energy and implement the green development concept of low-carbon environmental protection.



At Datang Environment, employees are considered as the foundation of steady development. We adhere to the principles of fair and compliant employment conditions and highly prioritize the physical and mental health of our employees. We provide diverse training activities to support their long-term and higher personal career development. In 2022, we created more employment opportunities through business growth and responded to the employment promotion plan by cultivating highly skilled professional and technical talents. These efforts have contributed to the resolution of structural employment conflicts in society. Furthermore, the Company has actively promoted the innovative model of whole-process management services in areas such as Hainan and Ningxia, achieving efficient collaborative development with clients and gradually improving customer satisfaction.

As a socially responsible energy-saving and environmental protection enterprise, Datang Environment is committed to providing innovative environmental protection and energy-saving solutions to society. Our focus is on expanding our new energy business domestically and our denitration catalyst has repeatedly won large orders in overseas markets. We continually apply new technologies in our engineering projects to improve efficiency and effectiveness. In response to the national call, we have proactively contributed to public welfare and promoted the harmonious and prosperous development of society.

Looking ahead, Datang Environment will prioritize our core business, consolidate our industry position, and deepen our focus on quality and efficiency improvement. We will accelerate the transformation and upgrading of our engineering business, and making every effort to break through the current challenges; seizing opportunities for the development of emerging industries and achieving rapid growth. Improving our competitiveness through talent empowerment and innovation will be our top priority. At Datang Environment, we are committed to implementing the construction of a "modern symbiosis between human and nature", building a world-class enterprise with "excellent products, outstanding brands, leading innovation, and modern governance". We strive to build this group into a first-class integrated energy and environmental governance service provider that is "technology advanced, product excellence, industry synergy and intelligent efficiency".

Chairman of the Board
Zhu Liming

ABOUT US

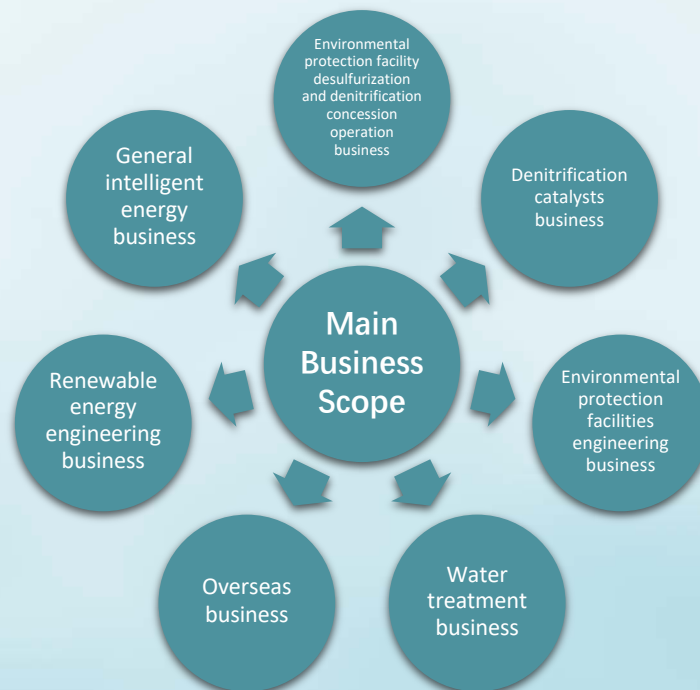
Company Profile

As a socially responsible enterprise focused on energy conservation and environmental protection, Datang Environment is the sole business platform under the Group Company that is dedicated to creating environmental protection and energy-saving solutions. We are a comprehensive provider of environmental management services that combines operations, technical research and development, product manufacturing, engineering construction, and project investment. The Group has strategically positioned itself around the central themes of "green and low-carbon, diversified and complementary, highly efficient collaboration, and digital intelligence". We are committed to upholding the policy objectives of "carbon peak by 2030" and "carbon neutrality by 2050" and is leveraging strengths in the entire industry chain of environmental protection and energy saving as well as the green, clean, and efficient utilization of energy. The Group has adopted a multifaceted approach and has established a comprehensive industry layout.

Business Scope

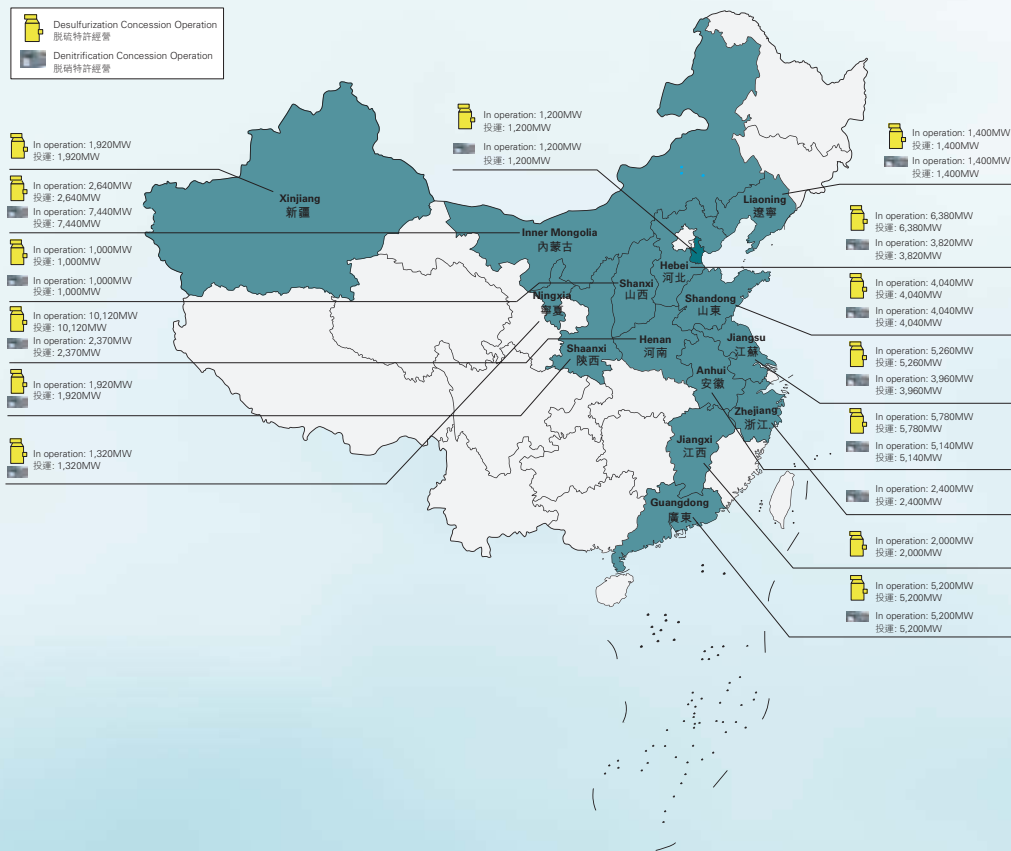
As a leading supplier of environmentally-friendly and energy-efficient solutions to coal-fired power companies, the Group serves customers across more than 30 provinces, autonomous regions, and municipalities throughout China, as well as in 7 other countries. Our main business includes franchised operation of environmental facilities, production and sales of denitrification catalysts, environmental facility engineering, water utility business, energy-saving business, and renewable energy engineering, among others. We have multiple patented technologies and independent intellectual property rights, and our franchised operation scale of desulfurization and denitrification ranks among the world's leading levels. We continue to promote new technologies to improve global environmental governance efficiency.

Main Business Scope





During the Reporting Period, all business segments of the Group were operated steadily, and the installed capacity of desulfurization and denitrification concession operation maintained its leading position in the industry. As the world's largest manufacturer of plate-type denitrification catalysts, the Group ranked at the top in terms of the total production volume of catalysts during the Reporting Period. We fully leverage our advantages in technology and qualification to explore new business markets, and further improve the professional management level and sustainable development capability of our concession operation business. As at the end of the Reporting Period, the cumulative installed capacity in operation of desulfurization concession operations of the Group was 50,180 MW; the cumulative installed capacity in operation of denitrification concession operations was 41,210 MW; and the installed capacity of desulfurization entrusted operation projects was 1,320 MW. The geographic distribution and cumulative capacity of our concession operations are illustrated in the diagram below.





2022 ESG Key Performance at a Glance

ENVIRONMENTAL

1,820,103.69 tons

of sulfur dioxide emissions reduced by the concession operation business

210,773.65 tons

of nitrogen oxides emissions reduced by the concession operation business

25,600 m³

cumulative production of denitrification catalysts

501.2 MW

of 3 new signed photovoltaic engineering projects

8.57 MW

of 8 new investment projects in distributed photovoltaic engineering projects

SOCIAL

RMB

181,100,000

invested in technological, research and development

3

technological achievements reached internationally leading or advanced levels

56

patents obtained

101,928 hours

of total employee training hours

0

Work-related injury

97.6%

(Engineering business)

91.6%

(Concession operation business of customer satisfaction)



1. ENHANCING GOVERNANCE TOWARDS ACHIEVE WIN-WIN COOPERATION

As an enterprise focused on environmental protection and management, Datang Environment has always attached great importance to fulfilling responsibilities and obligations in terms of environment, society, and governance. To continuously enhance our sustainable development capabilities, we have implemented and refined our ESG governance structure, conducted ESG risk assessments, engaged in timely communication with stakeholders, and actively identified ESG issues critical for value co-creation. Through our internal governance efforts and partnerships with relevant parties, we strive to achieve stable business development and sustainable growth, leveraging our core competencies to contribute to the positive development cycle of the domestic and international economy, society, and environment.


1.1 ESG Governance and Statement of the Board

The Board of Datang Environment takes full responsibility for the development of ESG strategies and information disclosure of the Company. The Board implements ESG regulatory responsibilities through regular review of ESG management policies and strategies, ESG progress reports. The Board also take responsibility of evaluating, prioritizing, and managing substantive ESG issues (including risks), and conducting normalized supervision and management of key ESG performance targets and achievements.

The Board approved this Report on April 2023, confirming that the Report fully disclosed the key progress and achievements of ESG work during the Reporting Period of the Company, and promised that there was no false record, misleading statement or significant omission in the Report.

To bolster our corporate governance practices and advance the sustainable development of the Group, Datang Environment has established a comprehensive three-level ESG governance structure. This structure is comprised of the Board, ESG Work Leading Taskforce, and ESG Office, and it serves as a framework to guide our ESG-related decision-making processes. Datang Environment ESG governance structure diagram is shown below:





As the highest decision-making body, the Board assumes responsibility for overseeing the management of the Group's ESG-related matters, with specific responsibilities including :

Board

- Assess significant ESG issues and related business risks
- Establish ESG targets and review progress and performance
- Participate in the identification and analysis of major ESG risks;
- Review ESG reports and related performance, and oversee the formulation and implementation of sustainable development strategies.

The ESG Work Leading Taskforce serves as the core management body responsible for ESG management within the Group. Led by the Chairman and Party Secretary, the Group is tasked with ensuring the efficiency and precision of ESG management across the organization. Its key responsibilities include:

The ESG Work Leading Taskforce

- Assisting the Board in managing the Group's ESG issues and coordinating the implementation and execution of ESG-related work across various functional departments and subsidiaries of the Group;
- Assisting the Board in formulating ESG management policies and strategies, which involves assessing, prioritizing, and managing material ESG issues and related business risks;
- Supporting the Board and the Risk Management Leading Group and Office in identifying and assessing ESG risks associated with the Group, and ensuring that appropriate and effective ESG risk management and internal control systems are established;
- Assisting the Board in establishing ESG-related goals, reviewing progress towards these goals, and reporting to the Board;
- Communicating with stakeholders (including but not limited to the Board, management, employees, shareholders and investors, government and regulatory authorities, customers, suppliers, business partners, and the public) on ESG issues and providing relevant feedback to the Board, management, departments, or subsidiaries when necessary;
- Coordinating relevant departments and subsidiaries of the Group to prepare annual ESG reports and submit them to the Board for approval;
- Undertaking other ESG-related tasks assigned by the Board as required.

The ESG Office serves as the executing agency responsible for implementing ESG plans at the grassroots level. In addition, relevant ESG functionalities are established within various subsidiaries and business segments, and their primary responsibilities include:

The ESG Office

- Implementing ESG plans at the operational level;
- Promoting and implementing company ESG risk management and internal controls;
- Reporting on ESG work and taking responsibility for writing ESG reports;



1.2 ESG Risk Management

This year, the international situation has undergone changes, energy crises have continued to intensify, and the impact of climate change has continued to expand, we conducted an ESG risk assessment in 2022 to better understand the impact of relevant ESG risks on our operations and business under the latest macro scenario. The specific assessment process was as follows:



After performing a megatrend analysis and summarizing the five significant aspects of environment, society, economy, politics, and technology, we took into account industry characteristics and stakeholders' concerns. To identify potential environmental compliance risks, we conducted online and offline questionnaires, as well as expert interviews, found that extreme weather events caused by climate change and environmental compliance risks were the most crucial risks. These findings were consistent with our previous analyses in 2021.

To address the highly important ESG risks identified through our assessment, we have created written materials on risk analysis for dissemination to enhance the ESG risk awareness of the Group's employees. In addition, we have formulated targeted emergency response plans to prevent potential problems and mitigate any adverse impacts.

We firmly believe that through ongoing comprehensive analysis and response to environmental, social, and governance risks, the Company's existing risk management level will be effectively enhanced, and a sound comprehensive risk management system covering ESG risks will be gradually established.

1.3 Stakeholder Engagement

We place great emphasis on communication and interaction with stakeholders as we strive to drive sustainable development work. We actively listen to their voices, seek to understand their concerns and expectations, and timely collect feedback information. This enables us to take appropriate measures to meet the reasonable expectations and needs of stakeholders.

Our business involves a wide range of stakeholders, including shareholders and investors, government and regulatory authorities, employees, customers, suppliers, business partners, and the public. During the Reporting Period, we took proactive steps to collect stakeholder demands through online questionnaires, obtaining their evaluations of our past sustainable development performance and their expectations for future work. We also actively participate in local community activities, regularly engage in volunteer services in local communities, and work to understand the concerns and needs of local residents. Additionally, we maintain close contact with industry associations and other related enterprises, participate in industry discussions and cooperation, and explore the future of sustainable development in the industry. These efforts allow us to maintain positive relationships with our stakeholders and drive forward our commitment to sustainable development.

Stakeholder Groups	Communication Channels	Frequencies
Shareholders and investors	<ul style="list-style-type: none"> • General meetings • Corporate reports and announcements • Official website, email and hotline 	<ul style="list-style-type: none"> • Biannually /According to operational needs • Annually /Based on operational needs • Recurring /Based on operational needs
Government and regulatory departments	<ul style="list-style-type: none"> • Seminars • Supervision and assessments • Corporate reports and announcements 	<ul style="list-style-type: none"> • Biannually /According to operational needs • Regularly /According to operational needs • From time to time
Employees	<ul style="list-style-type: none"> • Employee performance appraisals • Meetings and trainings • Email and notice boards • Team building and festival activities 	<ul style="list-style-type: none"> • At least once a year • Recurring /According to employees and operational needs • Recurring /According to employees and operational needs • Regularly
Customers	<ul style="list-style-type: none"> • Customer satisfaction surveys • Interviews, site visits, email and hotlines 	<ul style="list-style-type: none"> • Annually /Upon completion of each customer's the terms of service • According to customers' needs
Suppliers and business partners	<ul style="list-style-type: none"> • Public tendering • Meetings, site visits, email and hotlines 	<ul style="list-style-type: none"> • According to procurement needs • According to procurement and business development needs
Community and the public	<ul style="list-style-type: none"> • Charity events • Donations • Official website, email and hotlines 	<ul style="list-style-type: none"> • From time to time • From time to time • According to community and general public's needs

1.4 Assessment of Materiality Issues

During the Reporting Period, Datang Environment has strictly followed the guidance of the Stock Exchange of Hong Kong, focusing on key environmental, social, and governance issues. We conducted a comprehensive stakeholder survey, incorporating the latest sustainable development trends with the Company's development strategy to identify priorities for sustainable development. We also benchmarked the priority reports of domestic and foreign peers to further improve our sustainable development goals and standards. The Board has approved and confirmed the important issues for the Reporting Period.

The results of the materiality assessment are shown in the following materiality matrix:



Materiality Matrix of Datang Environment

According to the ESG materiality assessment conducted, the Report highlights 9 issues that are of high importance. These issues have been analyzed to understand how they relate to the company and society, and specific response chapters have been included in the report. The chart below provides an overview of the specific response chapters for each issue.

Aspects	Issues of High Materiality	Corresponding Chapters
ENVIRONMENTAL	Air Emissions and Management	PRACTICING LOW-CARBON LIVING, CREATING A GREEN FUTURE
	Wastewater Discharge and Management	PRACTICING LOW-CARBON LIVING, CREATING A GREEN FUTURE
	Water Use and Benefits	PRACTICING LOW-CARBON LIVING, CREATING A GREEN FUTURE
	Solid Waste Discharge and Management	PRACTICING LOW-CARBON LIVING, CREATING A GREEN FUTURE
SOCIAL	Health and Safety	WORKING TOGETHER TOWARDS A BRIGHTER FUTURE
	Employment and Employee's Benefits	WORKING TOGETHER TOWARDS A BRIGHTER FUTURE
	Technological Research and Innovation	CUSTOMER FIRST, UPGRADED SERVICES
GOVERNANCE	Compliance Operation	ENHANCING GOVERNANCE TOWARDS ACHIEVE WIN-WIN COOPERATION
	Product Responsibility	CUSTOMER FIRST, UPGRADED SERVICES



2. IMPLEMENTING RESPONSIBILITY AND ENSURING COMPLIANCE

At Datang Environment, we always prioritize compliance management, establishing and implementing a strict system for clean and compliant governance. Compliance management is integrated into the core values of our corporate culture, guiding all employees to consciously resist corruption. We also place a strong emphasis on internal safety management, providing regular safety training for employees to improve their safety awareness and practicing the "High Security" concept. In addition to our internal efforts, we are committed to building a green supply chain with mutual benefits and win-win cooperation. We attach great importance to the sustainable development and risk resistance of the entire supply chain, actively creating a high-quality, efficient, safe, and sustainable competitive environment for the entire industry.

2.1 Adhere to Compliance Management

Datang Environment always strictly abides by national laws and regulations, including the *Criminal Law of the People's Republic of China* and the *Code of Integrity and Self-discipline of the Communist Party of China* and promotes within the Group to enhance employees' compliance and legal awareness. At the same time, we implement the *Certain Regulations on the Integrity of Leading Personnel of State-owned Enterprises* to ensure the integrity and self-discipline of the leadership, establishing a good image for the company.

To strengthen anti-corruption and promote integrity, we continue to improve our internal systems and have developed regulations such as the *Rules for Registration and Handing Over of Gifts and Premiums Received by Practitioners in Business Transactions*, the *Implementation Rules for Supervision of Major Tender and Procurement Projects (Trial)*, the *Integrity Conversation System*, the *Rules for Discipline Inspection and Supervision of Letters and Visit*, the *Integrity Conversation System and the Regulations on Accountability (Trial)*. To enhance the theoretical learning and warning education of employees, we have conducted anti-corruption education and publicity through various means, while also conducting self-examination and self-correction to ensure effective rectification. We mandate that party members and crucial personnel sign a *Letter of Integrity Pledge*, which reinforces their understanding of their ethical obligations, the potential risks, and the repercussions of non-compliance.

We have adopted a zero-tolerance attitude towards any act that violates party discipline and national laws. We strictly follow the *Rules for Discipline Inspection and Supervision of Letters and Visit* to handle petition reports, ensuring that the handling process is fair, open, and transparent. We thoroughly investigate reported information and collect evidence, handling cases in accordance with the law and regulations. We provide timely feedback on the progress and results of handling to complainants to protect their legitimate rights and interests. During this Reporting Period, the Group did not have any cases of violations of laws and regulations relating to bribery, extortion, fraud and money laundering, and there were no corruption proceedings have been instituted against the Group or its employees.



Case: Work Conference on Party Style and Integrity Construction and Anti-corruption

In the Year, Datang Environment held the work conference on party style and integrity construction and anti-corruption with all subsidiaries. During the conference, attendees watched the special film "Zero Tolerance," which focused on anti-corruption warning education and business ethics and compliance. The goal of this education assembly was to promote learning and self-improvement, encourage self-examination and correction, and achieve practical results. This helped to strengthen the work style and integrity awareness of all units, promoted standardized behaviors.



Scene of work conference on party style and integrity construction and anti-corruption

2.2 Safety Production and Quality Management

Safety Production

Safety production is the fundamental prerequisite for the steady development of Datang Environment. The Group strictly abides by relevant national laws and regulations and combines them with national policies and industry standards. We have developed a series of systematic safety production management procedures, such as the *Management Measures for All Staff's Safety Production Responsibilities*, the *Regulations on Safety Education and Training Management*, the *Work Rules of the Safety Production Committee*, the *Regulations on Supervision and Management of Vehicle Traffic Safety (Trial)*, the *Regulations on Safety Management of Hazardous Chemicals (Trial)*, the *Regulations on Safety Risk Grading Control and Hidden Danger Investigation and Governance (Trial)* and other management regulations to comprehensively control the production and service processes, continuously optimize the production environment, improve safety levels, and reduce the probability of production safety accidents.

In the enterprise safety production work, we establish and improve the safety production responsibility system, adhere to the principle of prevention first and taking precautions in advance. We have strengthened our safety supervision by conducting regular safety inspections of our production lines and facilities. During these inspections, we identify and evaluate environmental factors and hazards, and establish files for major hazards. This enables us to promptly identify any safety issues that arise during the production process and develop effective solutions to address them. Furthermore, any safety production and management issues raised by superior units during inspections are addressed through timely and appropriate measures.



To ensure the safety of our employees and the public, we are fully prepared to respond to emergencies. We follow the principle of "unified leadership, division of responsibilities, strengthened coordination, rapid response, and maximum reduction of losses caused by emergencies". We have developed emergency plans and organized regular drills to improve employees' emergency response capabilities. If an emergency occurs, relevant departments will carry out emergency measures as required, keeping detailed records for the review and revision of measures and procedures. The Group has always been dedicated to maintaining safety in all our production activities, and to ensuring the safety of both our employees and the public.

During the Reporting Period, the Group did not violate any laws and regulations related to health and safety, which significantly impacted the Group. In the past three years, including the Year, the Group did not have any work-related fatalities, and the number of lost days due to work injury was zero.

Case: Datang Environment Conducts "Power Protection" Emergency Plan Drill

To enhance the emergency response capability for power supply events and mitigate the impact of emergency environmental incidents on power generation enterprises, Datang Environment has set up a power protection emergency organization. The project departments have collaborated with power plants to establish emergency rescue teams for 8 key power protection areas, such as Zhangjiakou. The teams are trained through different types of emergency drills in 15 provinces, cities, autonomous regions, and franchise operations.

In the emergency drill plan, the power protection emergency team conducted drills on various projects such as liquid ammonia interruption, gypsum disposal, and slurry supply interruption. Additionally, the team collaborated with the power plant to carry out emergency plan drills and completed relevant power protection work as required. The coordination of various emergency tasks during the drills has enhanced their ability to work together in emergency situations, increased hands-on experience in emergency response, and improved the emergency rescue coordination mechanisms.



"Power Protection" Emergency Plan Drill



Case: Concession Operation Carries Out Autumn Inspection for 2022

Before the peak season of electricity consumption in autumn and winter, Concession Operation formulated an autumn inspection plan. The company implemented its responsibilities by holding mobilization and deployment meetings, as well as thematic learning and dissemination activities. Besides, Concession Operation also organized supervisory production management personnel to conduct a comprehensive inspection of equipment. As of early November 2022, we have identified 424 problems through self-inspection and re-examination, and have rectified 409 of them, with a completion rate of 96.5%. This provides a steady power supply and escorts the peak season of electricity consumption.



Autumn Inspection Site of Concession Operation

Safety Training

To uphold the principle of prevention-oriented and people-oriented, Datang Environment places significant emphasis on safety training to enhance the safety awareness and skills of its employees. The Group actively organizes safety education, training, and inspection work, and strengthens safety management to establish a foundation for sustainable and healthy development.

During the Reporting Period, we conducted an in-depth investigation and analysis of safety training needs, formulated training plans and inspection schemes, and strengthened the core concept of "safety first, life first" to enhance safety training. The safety training was targeted during safety production month and quarterly inspections to improve its effectiveness. Additionally, we regularly organized emergency drills to disseminate first aid knowledge and enhance employees' ability to respond to emergencies. To effectively carry out the three-level safety education and training for new employees, Datang Environment integrates lessons learned from system accidents, establishes regulations for training transferred or newly recruited personnel, and ensures that employees are qualified before being assigned to relevant positions.

The Group actively promotes a combination of online and offline safety training methods and organizes various forms of safety education and publicity activities to create a safe atmosphere. Furthermore, we carry out innovative safety education and training such as experiential and case-based training to enhance front-line employees' risk identification and self-protection awareness. We concentrate on promoting the *new Work Safety Law of the People's Republic of China*, reflecting on accident cases, simulating violations, and conducting thematic training to effectively strengthen the safety awareness and responsibility of personnel at all levels. This deepens good operating habits and comprehensively improves the safety skills of personnel at all levels.



Case: Datang Environment Safety Production Month

In June 2022, the Safety Production Committee comprehensively and strategically integrated the "Safety Production Month" campaign with the company's key tasks for the production processes. The committee combined the campaign with the ongoing "Large-Scale Investigation and Rectification", "Essential Safety Enhancement Project", "The 20th National Congress of the Communist Party of China Electrical Maintenance", and "Flood Control and Disaster Reduction and Self-Built House Special Rectification" key projects. We planned targeted education activities and six special activities that were customized and tailored to improve the accessibility and applicability of safety knowledge and skills.

During the Reporting Period, we set up over 100 safety promotion, over 90 safety banners. On the consultation day, we distributed over 6,600 copies of various promotional brochures and pamphlets to more than 4,000 participants. We held 220 sessions of safety education and promotion activities such as safety speeches, everyone on stage, safety knowledge competitions, "open classes" and "micro-classrooms", reaching over 5,000 participants. This has further fostered a safety culture across the entire organization, keeping safety concepts constantly in mind.



Safety Production Education Conference



Safety Production Education Exhibition

Quality Management

Datang Environment is committed to providing high-quality products and continuously improving its quality management system. We strictly abide by the regulations of the *Product Quality Law of the People's Republic of China*, and has passed the Quality Management System Certification (ISO9001: 2015) to ensure that our quality management efforts are implemented effectively.

We have established a comprehensive and refined quality management system and developed normative documents related to quality management, such as the *Non-conforming Product Control Procedure*, the *Full-process Quality Monitoring and Management Procedure* and the *Desulfurization Facility Operation and Management Procedure* to ensure that all projects meet the expected quality standards. Our leadership team takes the lead in overseeing and defining the responsibilities and scope of work of the management level. We also work closely with functional departments to provide process guidance and result checks on key issues, ensuring that issues are resolved promptly and efficiently.



We have a strict and traceable quality control system that monitors the quality of raw materials, semi-finished products, and finished products throughout the entire production process to ensure compliance with standards and regulations. We conduct thorough checks on our products during production to confirm that they meet quality standards, and use traceable identification and records to enhance our ability to identify and rectify any potential quality issues.

During the Reporting Period, the Group did not have any recall incidents due to safety and health issues.

2.3 Supply Chain Responsibility Management

To realize mutual and win-win cooperation, we continuously strengthen our collaboration and communication with suppliers. We strictly abide by the *Bidding Law of the People's Republic of China*, the *Regulation on the Implementation of the Bidding Law of the People's Republic of China*, the *Contract Law of the People's Republic of China* and other laws and regulations. We have established the *Complaint Handling Measures for Procurement Business of Datang Environment Industry Group Co., Ltd. (No. 47, 2021)* and *Procurement Management Measures (Trial) of Datang Environment Industry Group Co., Ltd. (No. 42, 2021)*, and have implemented relevant documents such as the *Procurement Inspection Management Measures of China Datang Corporation Ltd. (Datang Corporation No. 221, 2020)*, the *Material Procurement Quality Management Measures of China Datang Corporation Ltd. (Datang Corporation No. 223, 2020)* and the *Supplier Management Measures of China Datang Corporation Ltd. (Datang Corporation No. 228, 2020)* to ensure the legitimacy and fairness of activities such as bidding and procurement, supplier evaluation and management.

We evaluate our suppliers' performance by taking into account environmental and social risks and optimizing our procurement process. Periodically, we assess our existing suppliers to determine if they have received complaints regarding environmental protection issues or have been punished for environmental pollution or safety accidents. If we identify any non-compliant behavior, we request rectification. If the supplier fails to meet the standards even after rectification or refuses to do so, we may take measures such as reducing their rating, withholding bids, suspending contracts, or changing suppliers to exert influence and gradually replace non-compliant suppliers. This strengthens our ability to manage supply chain risks.

We prioritize cooperation with suppliers who have green development concepts and require them to have environmental management and materials supply system certification. We also establish standards for product and raw material emissions and require suppliers to sign green procurement agreements such as the *Environmental Protection and Occupational Health and Safety Production Relevant Information Disclosure*, to promote green supply chain construction in a comprehensive and systematic manner.

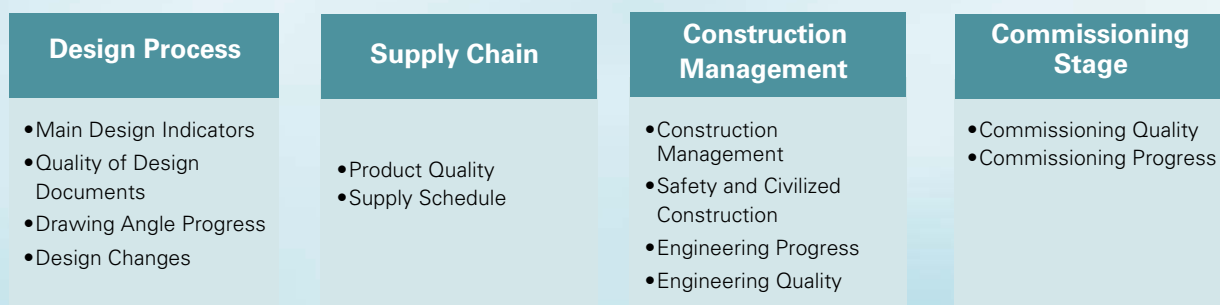
3. CUSTOMER FIRST, UPGRADED SERVICES

In the era of intense market competition and diversified customer demands, we maintain a customer-centric approach and have established a comprehensive service system. We strictly control product quality and prioritize customer privacy and data security, providing timely and thoughtful support and assistance throughout the process, and striving for "zero complaints" from customers. Additionally, by continuously applying innovative technology, Datang Environment drives product upgrades, bringing reliable and efficient environmental solutions to customers, leading the industry's technological empowerment, and fulfilling the role of a central enterprise. We aim to become an industry model through our dedication to innovation and excellence.

3.1 Customer Service and Privacy Protection

Datang Environment values customer rights and interests and product service quality, and is committed to providing customers with efficient, sustainable, and environmentally friendly products and services to achieve long-term cooperation and win-win outcomes. We strictly abide by relevant laws and regulations such as the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests* and other relevant laws and regulations, making full use of advanced technology and management experience to provide customized solutions for customers. We always adhere to the "customer-oriented" approach in business development, focus on establishing good customer relationships, transparent communication, regular customer feedback, actively collect user opinions, and timely resolve user issues.

The Group has formulated multiple management methods such as the *Marketing Management Regulations*, *Service Management Standards*, *Customer and Related Party Satisfaction Measurement and Control Procedures*, and *Project Quality Return Visit Procedures* and have relevant product recall procedures. We conducts at least one satisfaction survey annually for key customers through telephone interviews or satisfaction survey. As of October 2022, a total of 36 survey projects have been conducted, with an average score of 97.6 for engineering business, and the main dimensions of customer satisfaction are shown in the following figure:





The Group always closely monitors and promptly responds to customer complaints. If we receive a customer complaint, the Company will investigate and rectify it according to the *Production, Quality and Technology Department*, the *Corrective Measures Control Procedures* and the *Preventive Measures Control Procedures*. Procurement-related complaints will be handled by the procurement department, and the detailed processing flow is as follows:

Receiving and Confirming Complaints

- Receive customer complaints, promptly understand the specific content from the customer, and establish a customer complaint registration form.

Analyze and Investigate the Problem

- If the problem is caused by our side, we will formulate a processing method and jointly analyze the cause of the complaint and the responsible department with technical, research and development, production, quality and other departments.
- For complaints caused by human factors or other reasons, we will cooperate with other departments to process them equally with product quality problems.
- If the problem is not caused by our side, we will present our testing report and basis, cooperate with the customer to analyze the possible causes, and discuss the follow-up solutions with the customer.

Developing Solutions

- For quality complaints that are relatively minor, they will be registered and promptly fed back to the relevant departments.
- For serious complaints, the production, quality, and technical departments will propose product solutions, discuss and agree on the solution with the customer, and report to the relevant departments for approval.

Implementation and Follow-up

- The progress of complaint resolution will be promptly communicated to the customer, and the entire complaint handling process will be reviewed. Based on the actual situation, corresponding improvements will be made to continuously improve service quality and customer satisfaction.



In the information security and privacy protection sides, we strictly comply with relevant laws and regulations, including the *Cybersecurity Law of the People's Republic of China* to heighten employees' awareness regarding the confidentiality of the company's technical and business secrets and to mitigate the risk of data leaks or unauthorized use, we mandate that employees sign the Non-competition and Confidentiality Agreement. Our internal Employee Handbook and Confidentiality Regulations detail the procedures and methods for managing private information. Moreover, we have taken a series of security measures, such as deploying external intrusion defense systems and network access management systems, to safeguard customer privacy and company data.

During the Reporting Period, the Group did not experience any leakage of customer information, nor did it violate the laws and regulations related to data privacy and protection.

Case: Nanjing Environmental Protection Received Customer Commendation Letters For Quality Service And Reliable Products

As a leader in the catalyst sales industry, Nanjing Environmental Protection is firmly committed to the belief that customer satisfaction is the cornerstone of long-term business success. To achieve this, the company has established multiple customer service assessment indicators, such as maintaining customer complaint rates during project execution at or below 10%, achieving an on-time delivery rate of over 90%, and upholding a customer satisfaction rate of over 90%. The company also exercises strict control over various stages, including product installation, ultra-low emission retrofitting, replacement, and recycling. According to the 2022 customer satisfaction survey, Nanjing Environmental Protection has attained an impressive overall customer satisfaction rate of 100%. Simultaneously, in the Reporting Period, Nanjing Environmental Protection received commendation letters from several project procurement entities, including Liupanshan, Shiliquan, HuaDian Lu'an, Yingyuan Environmental Protection, and others.

3.2 Technical Innovation and Intellectual Property

Product innovation, engineering practice, and industry-academia-research collaboration have emerged as the core driving forces behind Datang Environment's development. We have established multiple specialized research teams focusing on innovation in different fields, while adhering to technological innovation and independent research and development as the primary direction. With a solid foundation in engineering construction, we aim to provide customers with comprehensive solutions that encompass high-quality, safe engineering, products, and services. In product design, we pursue simplicity, efficiency, energy conservation, environmental protection, ease of operation and maintenance, and cost-effectiveness. In engineering practice, we actively employ advanced engineering management concepts and technology to facilitate smooth project progress and deliver top-quality results. Furthermore, we place great emphasis on collaborating with domestic and international universities and research institutions, jointly conducting technological research and application, and fostering the integration of industry, academia, and research.



We regularly hold technical training and exchange activities, encouraging employees to continuously improve their professional skills and innovative awareness. At the same time, the Company has established a dedicated reward system, such as the *Implementation Details of Scientific and Technological Awards Management System (Trial)* to provide substantial rewards to employees who have made outstanding achievements in innovation and technology research and development, to stimulate their innovative potential.

Datang Environment adheres to using laws and regulations such as the *Patent Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China* and other laws and regulations, as the guiding principles for our intellectual property management process. During this Reporting Period, the Group has invested a total of RMB 181.1 million in research funding, obtaining 40 utility model patent authorizations and 16 invention patent authorizations. At the same time, there have been no instances of violating intellectual property laws and regulations.

Case: Concession Operation "Multi-Dimensional Intelligent Control Technology and Application for Desulfurization Island of Coal-fired Power Plant" Wins Multiple Awards

During the Reporting Period, Concession Operation has developed a highly efficient and intelligent dynamic economic optimization and control system for the desulfurization island by using cutting-edge technologies such as data mining, artificial intelligence, and cloud computing. This system includes self-optimizing and scheduling of the slurry circulation pump group, economic emission targets for SO₂, and dynamic optimization and control of the desulfurization island. Owing to its innovative and practical technology, the project has been honored with the 2022 China Power Innovation Award Technology Class Second Prize presented by the China Electricity Council and the 2022 China Energy Innovation Award Technology Innovation Class Third Prize awarded by the China Energy Research Society.



Certification of the 2022 Power Technology Innovation Award Second Prize



Case: Technologies & Engineering Company Builds "Power Core" of Technological Innovation

Technologies & Engineering Company has been implementing the Company's reform and development plans, by integrating advanced technologies such as "integrated smart energy systems", "modular substations" and "internal environmental management of gas membranes" into engineering projects. During the Reporting Period, the photovoltaic technology research team also optimized the design plans of the Huangji and Taonan projects through summarizing and upgrading, saving about RMB 2 million in costs.

During the Reporting Period, Technologies & Engineering Company has obtained the certificate of National High-tech Enterprise, as well as level one qualifications for membrane structure design and construction. The "Research and Application of Key Technologies in High-capacity and Long-distance Ash Conveying Pipeline System" project won the third prize for scientific and technological progress awarded by the Group Company in 2021.



Photovoltaic project of Technologies & Engineering Company

Case: Water Engineering & Technology's "Low Temperature Multiple Effect Flash Evaporation + Rotary Atomization Drying" Combination Process Implemented in Engineering Project

Water Engineering & Technology adheres to the combination of production and research, and applies advanced technologies to the latest projects. The research on "Low-temperature flash evaporation of desulfurization wastewater + High-temperature rotary atomization concentration and evaporation characteristics" has achieved phased results based on experience from the Gongyi project, and has been applied and verified on million-level units in the Zero Wastewater Discharge Project for Desulfurization Wastewater at Datang Xinyu, promoting the further absorption, digestion, and upgrading of this process combination technology, and laying a foundation for reducing costs and increasing efficiency in different-level unit project schemes in the future.



"Low Temperature Multiple Effect Flash Evaporation + Rotary Atomization Drying" combination engineering project site



4. PRACTICING LOW-CARBON LIVING, CREATING A GREEN FUTURE

In the context of global climate change and energy transformation, Datang Environment is deeply aware of the importance of fulfilling corporate social responsibility. We always adhere to the green concept of low carbon, environmental protection, energy conservation and emission reduction, and develop environmental protection and energy-saving technologies and products with independent intellectual property rights. In addition to complying with environmental protection, emission management, resource utilization, and climate change laws and regulations, Datang Environment has formulated and continuously improved a series of internal regulations and systems to ensure high-level pollution control and energy conservation and emission reduction throughout the entire process of enterprise operation. As a leader in China's environmental protection and energy conservation field, Datang Environment recognizes its responsibility and always regards environmental protection and energy conservation as the core competitiveness of the Company, practices low-carbon environmental protection comprehensively and in a multidimensional way, promotes green development, and responds to the national dual carbon goal.

4.1 Environmental Management System

Our main business may have a certain impact on the environment and natural resources. Therefore, we are solidly promoting comprehensive environmental management. Meanwhile, the Group strictly adheres to environmental protection, emission management, resource utilization, and climate change laws and regulations, has passed the ISO 14001:2015 environmental management system certification, and has formulated a series of internal regulations and systems such as the *Environmental Incident Investigation and Management Measures*, the *Responsibility System for Ecological and Environmental Protection* and the *Environmental Management Operation Control Procedures*, to ensure efficient and compliant work in the operation process.

We continue to optimize and improve the environmental management system, clarify the responsibilities of various levels of organizations in environmental management, and detailed environmental management responsibilities at all levels are as follows:

Group Level	Environmental Management Responsibilities
Headquarter of the Group	<ol style="list-style-type: none"> 1. The Group’s headquarters are primarily responsible for formulating overall strategies and planning to ensure the full implementation of environmental protection policies; 2. Improving relevant systems and measures of the Group companies and establishing a sound energy conservation management system; 3. Responsible for decomposing and implementing the production quota assigned by the Group, and implementing supervision and assessment; 4. Organizing training and assessment on production operation and energy conservation management; 5. Organizing energy-saving work analysis meetings, analyzing and evaluating the implementation of energy-saving work of the management organization, and formulate annual goals and measures for energy-saving management.



Group Level		Environmental Management Responsibilities
Subsidiary Company	Principal person in charge	<ol style="list-style-type: none"> 1. The secretaries of the Party Committees are fully responsible for the environmental protection work of the branches; the general managers, as the first responsible person for environmental protection, are responsible for the environmental protection work of the branches; 2. Conscientiously implementing the laws and regulations on environmental protection and the guidance of superiors, including environmental protection in the important agenda of branch management, and macro-control of the development direction of environmental protection of the branches; 3. Responsible for the formulation of environmental protection system and environmental protection objectives (including pollutant emission reduction targets); 4. Organizing the formulation and implementation of emergency plans for environmental emergencies of branches.
	Leader in charge of environmental protection	<ol style="list-style-type: none"> 1. As the direct responsible person for environmental protection of the branches, responsible for leading the environmental protection work; 2. Understand the operation and discharge of pollutants of branches, support and guide environmental protection departments to carry out environmental protection work; 3. Organize the formulation and revision of environmental protection rules and regulations, and decompose environmental protection goals; 4. Organize environmental protection technology exchanges, promote the implementation of advanced environmental protection technologies and experience, and coordinate the work of branches and government environmental protection departments; 5. Environmental standards are complied with when undertaking new construction, expansion, reconstruction and technological transformation projects.
	Leader in charge of other work	<ol style="list-style-type: none"> 1. Responsible for environmental protection within the functional departments and business scope; 2. Reviewing and assessing the environmental protection work within the scope of responsibility; 3. Publicity of environmental protection laws and regulations and related knowledge to improve environmental protection awareness of branches' employees.
	Head of each department	<ol style="list-style-type: none"> 1. The head of each department is the first responsible person for the environmental protection work of the department and is fully accountable for the environmental protection work within the business scope of the department; 2. Organizing the formulation and implementation of environmental management systems and operating procedures for environmental protection equipment and facilities within its management scope, and be responsible for solving problems and potential environmental hazards in environmental protection within its management scope; 3. Responsible for the daily maintenance of environmental protection equipment and facilities within its management scope, ensuring regular operation, and establishing environmental protection equipment and facilities operation ledgers and records; 4. Responsible for the management of pollutants within the management scope, preventing environmental pollution accidents, establishing pollutant storage and transfer ledger and keeping records.



According to the management regulations such as the *Safety Production Rewards and Punishments Regulations of China Datang Corporation*, the *Regulations on Investigation of Accidents in Electric Power Production Safety of China Datang Corporation*, and the *Methods for Investigation and Handling of Environmental Incidents of China Datang Corporation*, we have formulated the *Management Measures for Investigation and Handling of Environmental Incidents of Datang Environment Industry Group Co., Ltd.*, which clearly states that all levels of personnel in the environmental company should firmly establish the awareness of the "red line" and "bottom line" of environmental protection work. In this context, the "red line" means to successfully achieve the environmental protection goals set by the national environmental protection department, while the "bottom line" means not being publicly named and criticized by the environmental protection departments above the provincial level, and avoiding events that may have a negative impact on the reputation of the Group Company.

We commend and reward departments and employees who fulfill their ecological environmental protection responsibilities and make contributions. For departments and projects that have a significant impact or above on environmental incidents, we will handle corresponding responsibilities based on the results of the environmental incident investigation and responsibility determination for company leaders and department heads who are responsible for ecological and environmental protection management and supervision.

During the Reporting Period, there were no environmental violations in the Group.

Case: Comprehensive Use of Environmental Risk Assessment Analysis Forms

During the Reporting Period, we have continued to strengthen our full-process risk management system and further integrated environmental risks into our existing risk management system. We conducted a systematic and comprehensive assessment of the current risks in Datang Environment, including internal and external risks, operational control risks, compliance obligation risks, and important environmental factor risks, and estimated the consequences of these risks. We also classified these risks based on their severity.

At the same time, we have set up corresponding response and control measures for different risks. For example, in response to the risk of soil contamination caused by solid waste that contains chromium, lead, mercury, and other elements due to a lack of control over hazardous waste such as toner cartridges, ink cartridges, ribbons, and fluorescent lamps, we have required the installation of waste recycling bins and the submission of solid waste recycling records, as well as the establishment of regulations and control measures for hazardous waste such as toner cartridges, ink cartridges, ribbons, and fluorescent lamps.

4.2 Emission Reduction and Pollution Management

The Group has always adhered to the concept of environmental protection, strictly following national laws and regulations such as the *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*. We have established a sound internal management system, including the Assessment Measures for Environmental Protection and Production Quota to continuously strengthen our awareness of environmental laws and regulations, ensure compliance in our operations, and promote emission reduction work.

During our operation, the Group has been constantly pursuing technological innovation. Through the introduction of advanced environmental protection technologies and equipment, optimization of product production processes, improvement of resource utilization efficiency, reduction of energy consumption, and reduction of all types of emissions. We set a series of energy conservation and emission reduction targets, with the operational ratio of desulfurization reaching 100%, the operational efficiency of desulfurization exceeding 99%, the operational ratio of denitrification exceeding 99%, the efficiency of denitrification exceeding 90%.



Air Pollution Management

Regarding air pollution management, our company attaches great importance to the protection of the atmospheric environment. At the project management site, we implement the *Construction Dust Control System* to ensure compliance with relevant national regulations during construction. To further reduce the impact of exhaust gases on the environment, advanced dust removal and slag removal equipment has been installed at the environmental facilities operation site to improve the efficiency of pollutant treatment. In 2022, Concession Operation successfully achieved safe, economical, and environmentally friendly operation of the desulfurization system, which enabled us to reach the ultra-low emission target for sulfur dioxide concentration. We have developed a series of rigorous emission reduction measures for the process air emissions, construction dusts, and vehicle air emission generated during the operation process, as shown in the table below:

Process Air Emissions

- Establish the Environment Protection Management Committee and formulate a position-based environmental protection responsibility system;
- Compile the Operating Procedures for the Operation of Air Emission Pollution Control Facilities, and train the operators at relevant positions to operate according to the regulations;
- Conduct regular maintenance and inspection of air emission treatment facilities and reduce fugitive air emissions;
- Regularly organize various drills and summarize drill experience to improve emergency plans.

Construction Dusts

- Harden the construction site ground and apply appropriate greening treatment to reduce dust emissions during construction, protecting the environment and the quality of life for nearby residents;
- Prohibit direct exposure and stacking of powdery materials, and implement dust suppression measures such as surface covering or watering. Strictly manage powdery materials to effectively reduce dust pollution and ensure environmental hygiene at the construction site;
- Timely clean up the construction site to prevent dust emissions. Strengthen site cleaning and maintenance to ensure smooth construction and reduce the impact on the environment.

Vehicle Air Emissions

- The office is responsible for the unified management of the Company's vehicles to ensure their safe and reasonable use. Through strict supervision, the efficiency of vehicle use can be improved, and automobile exhaust emissions can be reduced.
- Vehicles are scheduled reasonably based on employee travel needs, taking into account travel time and route, effectively reducing empty trips during the journey and minimizing the vehicle's impact on the environment.
- Encourage employees to walk or take public transportation to and from work to reduce automobile exhaust emissions at the source. Through promoting environmental protection concepts and raising employees' environmental awareness, energy-saving and emission-reduction actions can be implemented.



Case: Nanjing Environmental Protection develops Autumn-Winter Emergency Emission Reduction Plan

To further strengthen the comprehensive treatment of atmospheric pollution in autumn and winter, Nanjing Environmental Protection strictly implements emergency management measures for heavy pollution weather in autumn and winter on the basis of achieving ultra-low emission or special emission limit emissions stability. The specific emission reduction implementation plan developed by the company is posted in a prominent position at the factory gate and within the factory area for public display.

In the specific emission reduction implementation plan, Nanjing Environmental Protection poses corresponding restrictions on the use of calcination furnaces, drying furnaces, and heavy-duty trucks based on different warning levels. At the same time, the company estimates the reduction in pollutant emissions such as particulate matter, sulfur dioxide, nitrogen oxides, and volatile organic compounds to ensure effective achievement of environmental protection goals and the practice of the "environmental protection first" concept. Under strict comprehensive treatment of atmospheric pollution in autumn and winter, Nanjing Environmental Protection has become an exempted enterprise for autumn and winter air control in Nanjing city.

Wastewater Management

In the field of wastewater treatment, the Group places great importance on the strict management of the production wastewater and domestic wastewater generated during the operation process. We strictly follow the *Integrated Wastewater Discharge Standard* and the environmental facilities are continuously and rigorously monitored for water quality by the power plant to which the project belongs. We are committed to implementing standardized and efficient disposal measures.

In terms of production wastewater management, we optimize the desulfurization wastewater treatment system based on the *Guidance Manual for the Optimization and Operation of Desulfurization System*. We dynamically monitor the dosing concentration, adjust the operating conditions of the wastewater treatment equipment, prevent low concentration, which causes an increase in water consumption, and reduce the amount of chemical addition and sludge treatment. We also implement a zero discharge policy for wastewater, concentrating high-concentration organic wastewater and saline wastewater into solids or concentrated liquids by using high-efficiency water treatment technology to change their pollutant properties, thereby reducing their impact on the environment.

In terms of domestic wastewater management, we encourage employees to save water and reduce unnecessary waste. We strictly regulate the discharge of domestic wastewater and require that it undergoes purification in septic tanks, while canteen wastewater undergoes purification in grease traps before being discharged into the domestic wastewater outlet. We also prohibit the placement and dumping of various chemicals and oil pollutants.

Case: Regular Testing of Domestic Wastewater In Office Buildings

During the Reporting Period, we have continued to organize and carry out the testing of domestic wastewater in the building, in order to timely grasp data on suspended solids, pH value, chemical oxygen demand, ammonia nitrogen, total phosphorus, animal and vegetable oils, and total dissolved solids in the discharged wastewater. This ensures compliance with relevant requirements of the drainage department and environmental protection standards, and reduces pollution to the environment.



Waste Management

The Group has always upheld the spirit of "environmental protection first" in waste management, adhering to the concept that green mountains and clear waters are as valuable as mountains of gold and silver. The Group strictly complies with relevant laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, and has formulated a set of comprehensive internal management system methods for various types of waste disposal, including the *Regulations on the Management of Disposal of Solid Waste and Hazardous Waste* and the *Administrative Measures for Denitrification Catalysts for Coal-fired Power Plants (Trial)*, as shown in detail in the table below.

Non-hazardous Waste

- Waste is classified and non-recyclable waste is collected by the administrative cleaning staff and placed in the household waste collection point. Qualified companies are responsible for regularly transporting and disposing of the waste, and recording the handover quantity;
- Recyclable waste is collected and stored in designated locations. The waste paper and cardboard produced are managed by the materials department, which regularly hands them over to the waste recycling company for recycling. The scrap metal is collected and transported by the materials department on a regular basis.

Hazardous Waste

- Formulated the *Administrative Measures for Denitrification Catalysts for Coal-fired Power Plants (Trial)* to standardize the catalyst design, testing, operation and maintenance, regeneration and scrapping management of the flue gas denitrification system of the Group's coal-fired power plants, so as to ensure the long-term, efficient and safe operation of the denitrification system and reduce the generation of hazardous waste.

To ensure the effective implementation of environmental policies, the Group has identified and classified various types of waste, and allocated waste disposal responsibilities to various departments to ensure comprehensive management coverage. At the same time, the Group has also set management goals for the refurbishment and utilization of waste, aiming to save raw materials, reduce production costs, and achieve standardized and rational disposal of waste such as waste gas desulfurization catalysts, thereby maintaining stable production order.

In terms of waste management in the company's office area, the Group complies with regulations such as the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, and manages hazardous waste such as toner cartridges in compliance with the *Directory of National Hazardous Wastes*, with the safety production department responsible for enforcement to ensure the cleanliness and safety of the office environment. The franchised subsidiary in environmental engineering project management upholds high standards and implements special management for benzene and chemicals used by construction parties to effectively control the risk of chemical waste disposal.



Case: Water Engineering & Technology Leverages Business Features To Promote Harmless Disposal Of Solid Waste

In the Year, Water Engineering & Technology continues to promote waste reuse projects. The Datang Leizhou Water Island BOO project, which the company invested in, can resolve 400 tons of sludge annually, and the Datang Dongying Water Island BOO project can address 200 tons of sludge annually, both of which are processed into brick products. This effectively reduces the amount of solid waste discharged and converts it into usable resources, achieving resource recycling and driving the development of green circular economy.



Harmless Disposal Project's Raw Materials

Case: Successful Trial Operation of Circular Production Line For Building Gypsum Powder Recycling By Datang Sanmenxia

This project is a comprehensive solution for the recycling of desulfurized gypsum, which processes desulfurized waste slag into gypsum powder. This not only addresses the issues of waste disposal and environmental pollution, but also provides an alternative to cement by using the gypsum powder as a substitute. By doing so, it helps reduce greenhouse gas emissions and aligns with the national development philosophy of a circular economy. The successful trial operation of this production line marks a significant breakthrough for Datang Environment in practicing green, low-carbon, and circular development.



Image of the production line for construction gypsum powder at Datang Sanmenxia



Noise Pollution Management

Regarding noise pollution control, the Group attaches great importance and legally controls the industrial noise generated during operations. In order to effectively reduce the impact on surrounding residents and the environment, we have taken appropriate noise reduction and sound insulation measures for various production equipment. For example, we have placed production equipment away from densely populated areas based on the principles of building sound insulation and natural attenuation over distance. We have also installed sound-insulated bases for the desulfurization oxidation fans, using a fully enclosed design to reduce sound transmission from the bottom. Additionally, we have set special damping devices on the exhaust pipes of the fans to effectively reduce pressure fluctuations and noise.

Case: Concession Operation Actively Optimizes Dsulfurization Oxidation Fan To Reduce Noise Pollution

During the Reporting Period, Concession Operation has taken measures to optimize the production environment and reduce noise pollution in the plant. Specifically, for the key business equipment, the desulfurization oxidation fan, a soundproof cover with an independent base and a fully enclosed design has been adopted. In addition, a special damping device has been installed on the exhaust pipe of the fan, effectively reducing the pressure fluctuation noise from the exhaust pipe and preventing noise from transmitting from the bottom.



Optimization diagram of noise reduction device for desulfurization oxidation fan

4.3 Resource Utilization and Circular Economy

Datang Environment complies with the *Energy Conservation Law of the People's Republic of China* and various laws and regulations related to resource and energy use. The company continuously improves internal regulations and systems such as the *Management Measures for Production Energy Conservation in Production* and the *Management Measures for Bulk Materials* establishing a series of measures for efficient resource utilization.



Electricity

- Improve the job responsibility system: At each construction site, the electricity usage is the responsibility of a designated person from the construction party, who is in charge of meter reading and measurement and diligently filling out operation records. In every power distribution room at each electricity usage site, a professional must be assigned to take responsibility.
- Separate switches should be used to control the power load in office buildings and conference rooms.
- The person responsible for electricity usage should regularly check for power-saving measures, such as turning off machines when people leave and turning off lights when no one is around.
- When updating equipment, all departments of the management office should consider phasing out high-energy-consuming electrical equipment, striving to replace them with energy-saving new products using the latest technology. When purchasing electrical appliances, choose reliable, low-consumption, energy-saving products.

Gasoline and Diesel

- Enhance the management of public vehicle usage by implementing the Company's the *Official Vehicle Management Measures*.
- Drivers should maintain vehicles regularly, address issues promptly, eliminate fuel "drips" and "leaks," and reduce fuel consumption and maintenance costs.
- The Company provides internal charging facilities, encouraging employees to purchase renewable energy vehicles to reduce fuel consumption.

Natural Gas

- Optimize product gaps during the loading process of calcination furnaces to maximize combustion efficiency.
- Minimize the frequency of starting and stopping calcination furnaces, and promptly shut off the gas supply after turning off the furnace.

Office Consumables

- Conserve paper by rationally distributing printed documents and drafts, streamlining meeting materials, using both sides of the paper for drafts, and promoting paperless office operations.
- Encourage the principle of exchanging old office supplies for new and using supplies according to local conditions and needs; fill out and report the office supply requisition form as required.

Water Resources

- Develop a water usage plan based on the water quotas issued by relevant departments.
- Assign part-time personnel to be responsible for checking and repairing water pipelines at construction sites to reduce wasteful situations such as running, overflowing, dripping, and leaking.
- Conduct regular inspections, maintenance, and replacement of aging water supply pipelines and equipment; strictly prohibit running, overflowing, dripping, and leaking, as well as continuous water flow; ensure the water supply network and equipment are well-maintained.
- Whenever possible, use rainwater and recycled water that meet standards for greening, and schedule irrigation reasonably.



In the field of energy conservation, the Group focuses on energy-efficient and eco-conscious power management, nurturing a comprehensive energy-saving technology service system, applying contract energy management, and fostering the advancement of the energy-saving service sector. Concurrently, we utilize effective management techniques in resource and energy usage, ensuring the accomplishment of resource efficiency goals. We have instituted the *Energy Conservation Management System* within office environments and executed energy-saving management policies for a variety of power plants at engineering project management sites and environmental protection facility operations.

During the Reporting Period, we mainly obtained suitable water sources through the municipal pipe network, desalinated water, reclaimed wastewater, etc. There were no difficulties with water sourcing.

Case: "One Enterprise, One Diagnosis, One Factory, One Strategy" Program to Enhance Overall Production Efficiency

To advance the delicacy management of production indicators, reduce costs, and increase efficiency, the Concession Operation has initiated a phased approach to further develop its energy and material consumption targets and optimize its operations.

The Concession Operation is bolstering its regional management, conducting performance evaluations, and implementing a "mentorship" program to improve production skills. By providing training with experienced personnel and conducting monthly special analyses on key projects with weak energy consumption indicators, the Concession Operation is conducting comprehensive performance tests for desulfurization and denitrification systems, implementing in-depth equipment management, and accelerating the application of new technologies. This has resulted in a 1.4% decrease in desulfurization power consumption, while the consumption rates of limestone, desulfurization water, and denitrification agents for emission reduction have all met expected values. These measures have improved production and operational efficiency and enabled the achievement of green development goals.



Case: Technologies & Engineering Company Is Promoting A Demonstration Project For Integrated Intelligent Energy Systems In Buildings To Enhance Overall Energy Efficiency

In 2022, the Technologies & Engineering Company is taking its demonstration project for integrated intelligent energy systems in buildings to the next level. The goal is to improve the efficiency of resource utilization both in terms of space and time, and to decrease overall energy consumption. The project includes the installation of distributed photovoltaic systems on roofs and carports, an integrated intelligent energy management platform, and an energy storage and energy-saving cooling system for the office building.

By utilizing idle space, Technologies & Engineering Company has installed photovoltaic systems on roofs and carports, resulting in improved resource utilization for the company's building areas. The photovoltaic system has consistently maintained stable power generation with an average annual output of 152,000 kWh and an average annual utilization time of 1,027.12 hours. The total expected power generation for 2022 is 160,000 kWh.

The energy storage and energy-saving cooling system for the office building stores energy at night during low-power periods and uses it during high-power peak periods, reducing the operating time of the main unit during periods of high electricity prices, and saving operating costs. Additionally, the air conditioning system can operate in three modes - conventional, energy storage, or mixed mode which greatly improves the adaptability of the energy storage and energy-saving system. Finally, the Technologies & Engineering Company has established an integrated intelligent energy management platform for the company building. The platform enables comprehensive energy management, which leads to improved energy efficiency and lower operating costs.



The Energy Storage and Energy-Saving Cooling System Photovoltaic Systems on Roofs and Carports

4.4 Address Climate Change

By progressively developing and executing climate change countermeasures, Datang Environment refers to the four core elements of the Task Force on Climate-related Financial Disclosures (TCFD) framework: governance, strategies, risk management, and indicators and targets. Taking into account both domestic and international climate change scenarios, the company has carried out extensive research on the effects of climate change on its operations across different levels. As a result, the company has developed and implemented a set of effective measures to address climate change, ensuring its normal operation and promoting sustainable development.



Governance

Recognizing the significant impact of climate change on the global economy and various industries, the Board has identified climate change as a core ESG governance issue. The ESG Work Leading Taskforce is responsible for assessing and addressing climate change risks, as well as managing climate risks in practical and grassroots business operations, under the unified decision-making and close supervision of the Board.

Strategies

In order to address the trends and challenges of climate change, we actively engage in close communication with relevant stakeholders and establish partnerships with external experts and scholars. By doing so, we aim to jointly promote environmental technology innovation and continuously improve our climate change strategies. We committed to promoting new energy, new products, new markets, and new mechanisms with resilience and creativity.

Risk Management

During the Reporting Period, we have identified physical risks that may have an impact on the Group’s business operations and have formulated corresponding emergency plans and response measures:

Types of Disaster	Response Measures
Extreme Cold Weather	<ul style="list-style-type: none"> • Developed the <i>Emergency Response Plan for Extreme Cold Weather for Datang Environment Industry Group Co., Ltd.</i> • Under the extreme cold weather, outdoor high-risk operations are strictly prohibited to prevent the occurrence of unsafe incidents such as falling, electric shock and frost; • Strengthened the maintenance and inspection of power and heating equipment to ensure stable and reliable supply of electricity and heating. • Provided employees with cold-proof and warm-keeping supplies, and conducted propaganda and training on cold-proof and warm-keeping knowledge to enhance employees' awareness and response capabilities. • Strengthen the connection with network operators, especially the inspection and maintenance of data centers, pay close attention to the environment and network operation of data centers, and ensure the communication and network security operation in extremely cold weather.
Flood	<ul style="list-style-type: none"> • Develop the <i>Emergency Plan for Typhoon, Flood and Heavy Convection Weather</i>; • Approve and issue the <i>Work Plan for Flood Prevention and Disaster Reduction</i> on the eve of each flood season and supervise the implementation; • Pay close attention to climate risk warning systems, and strengthen the monitoring and maintenance of drainage systems and water conservancy facilities; • Enhance communication and cooperation with relevant organizations to ensure a stable and timely supply of water, electricity, and gas; • Before the flood, we carefully organize flood prevention and disaster prevention drills to fulfill our responsibilities and enhance employees' disaster prevention, self-rescue capabilities, and crisis awareness; • Conduct a comprehensive inspection of the equipment under its management and the critical areas of flood control, and formulate plans to rectify the problems identified during the inspection that affect the flood control within a prescribed time limit; • During the emergency and flood control period, all members of the flood control commando shall report to their posts and perform their respective duties.

Indicators and Targets

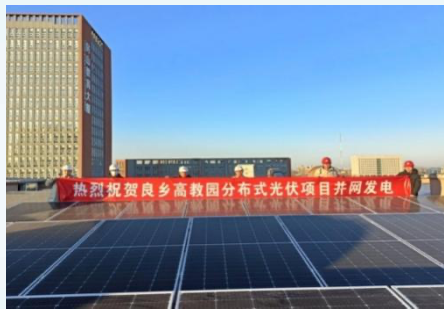
During the Reporting Period, we formulated various targets to control pollutant emissions, improve energy and water use efficiency, and continue to monitor the performance of indicators and the achievement of targets. We will conduct regular reviews of our objectives and performance, and develop corresponding improvement plans and measures as needed.



Case: Multiple Distributed Solar Projects Put Into Operation

In order to support the "dual carbon" goal, Datang Environment has invested in and built three distributed photovoltaic projects in Baidu, Liangxiang High-tech Park and Yankai Electric. All three projects have been connected to the grid for power generation, with a total installed capacity of 3.10 MW. The annual average power generation of these photovoltaic projects reaches 3.3345 million kWh, which is equivalent to saving 1,054.8 tons of standard coal per year. By implementing these projects, carbon dioxide emissions can be reduced by approximately 2,883.9 tons annually.


By promoting and applying these green energy projects, Environmental Protection actively participates in reducing carbon emissions and responding to climate change, making positive contributions to achieving the national dual carbon goal.



Liangxiang High-tech Park distributed photovoltaic project



Yankai Electric distributed photovoltaic project



5. WORKING TOGETHER TOWARDS A BRIGHTER FUTURE

Datang Environment recognizes that our employees are the most valuable asset. As such, we view their growth and well-being as crucial to the development of our company. To achieve this, we are dedicated to fostering a work environment that prioritizes humanistic care, and we strive to ensure that our employees feel a sense of achievement and satisfaction. Furthermore, we are committed to actively engaging in community service to strengthen our symbiotic relationship with the community, working together towards a brighter future.

5.1 Uphold Fair Employment for Employees

Fair Employment

During the Reporting Period, the Group strictly complied with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Implementation Regulations of the Labor Contract Law of the People's Republic of China*, and relevant laws and regulations. Additionally, we established multiple management systems, including the *Administrative Measures for Labor Relations*, the *Management Standards for Employee Recruitment and Dismissal* and the internal management policies on equal employment. We are committed to preventing discrimination based on nationality, age, ethnicity, gender, religion, disease, or physical and mental disabilities, and providing every employee with equal employment opportunities.

As a responsible enterprise, we uphold ethical principles and humanistic care, and adhere to the ILO Declaration on Fundamental Principles and Rights at Work. We strongly oppose the use of child labor and forced labor. We will verify the age and other personal information of employees before hiring to ensure the legality and compliance of talent recruitment. We adopt a "zero-tolerance" policy towards any violations, including the termination of the employment and the accountability investigation to the employee. This is to prevent such incidents from happening.

Employee Rights

Datang Environment provides competitive salary and benefits packages for employees and continuously improves our employee rights management system. We have established relevant policies and documents such as the *Administrative Measures for Employee Remuneration*, the *Administrative Measures for Employee Benefits* and the *Administrative Measures for Labor Attendance*. Our diverse and abundant employee benefits system includes supplementary medical care and overtime subsidies. Additionally, we offer multiple incentive schemes for employees who have made significant contributions to the company or have demonstrated outstanding dedication to their work. This is to maximize the motivation of all employees within the group. At Datang Environment, we place great importance on employee communication and value our employees' opinions and feedback. We promote interaction and communication between employees and management through various activities such as regular employee representative conferences and staff meetings. Additionally, our union periodically reviews employee rights and continuously improves employee benefits to enhance employee welfare.



Case: Optimizing Internal Human Resource Allocation and Effectively Motivating Employee Enthusiasm

In the current year, one of our key priorities at Datang Environment is to unleash the potential of our central enterprise employees and optimize our internal human resource allocation. To this end, we have been focused on our key projects and business directions, while continuously deepening our "three abilities" mechanism, and promoting the ability of executives to move up and down, employees to move in and out, and income to increase and decrease.

Through our "two contract" management mechanism, we have been able to guide personnel flow in an orderly manner, by establishing a comprehensive "labor contract + job appointment contract" management system. This system ensures that job design meets the needs of the company, job assessment is conducted fairly, contracts are well-managed, and market exit is possible. We are proud to report that the job contract signing rate within the company has reached 100%, indicating that we have successfully achieved our goal of "signing all contracts that should be signed".

In addition, we have made significant strides in implementing the term system and contractualization of our management personnel, which enables our cadres to move up and down the company. During the Reporting Period, we have seen 56 cadres promoted through competition, and 34 of our management personnel have signed term contracts and contractual agreements. These measures have deepened our market-oriented mechanism and created a more efficient and dynamic workplace environment. Since March 2022, we have also been actively seeking new talent through public recruitment and optimizing the contractual assessment of our management personnel. Based on the principles of term period turnaround and quality and efficiency enhancement, we have clarified the double veto rigid constraints in annual assessments, unlocking the full potential of our employees and motivating them to perform their best at work.

Case: Technologies & Engineering Company Holds Employee Service Symposium

In July 2022, the labor union of Technologies & Engineering Company collaborated with the logistics service center to organize a "Staff Appeal Research Symposium" aimed at better understanding the needs and opinions of employees and improving their work and living environment. During the symposium, Technologies & Engineering Company conducted surveys on various aspects of the company, including management, life security, and employee benefits. Employees shared their feedback and suggestions on the work of the company's labor union and logistics service support. Following the symposium, Technologies & Engineering Company conducted a thorough analysis of the issues raised by the employees and developed corresponding improvement plans to address these concerns.



Employee service symposium



5.2 Care for the Physical and Mental Health of Employees

In terms of safeguarding the physical and mental health of employees and ensuring occupational health and safety, the Group adheres to the policy of "prevention first, combined prevention and treatment". We always comply with national and local laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and the *Provisions on the Supervision and Administration of Occupational Health at Work Sites* and follow internal management systems such as the *Workplace Occupational Health Management Measures of China Datang Corporation Ltd.* During the Reporting Period, the Group obtained the certification of the occupational health and safety management system ISO 45001:2018.

We provide three systematic occupational disease examination to employees in high-risk positions of occupational diseases during the entire In-and-Out process of the operation, and legally provide them with work-related injury insurance. For outsourced engineering projects, we conduct random checks on the health status of on-site workers and supervise and guide employees to correctly wear and use safety protective equipment according to usage rules.

Case: Launching the "Happy Datang Employee Mental Health Care Campaign" and establishing "Mental Health Care Week"

In 2022, Datang Environment conducted the "Happy Datang Employee Mental Health Care Campaign" for the second year in a row. During the Reporting Period, we focused on eight aspects, such as providing "mental health guidebooks" and "interpretation of drawing projection tests", to show concern for the mental health of our employees. Through knowledge dissemination, self-exploration, self-care, emotional management, interpersonal communication, and team building, we improved the sense of acquisition, happiness, and security of our employees, enhanced team cohesion, and promoted harmonious and sustainable development of the company.



Mental Health Guidebooks



Mental Health Care Week Photo



5.3 Focus on Employee Training and Development

We adhere to the principle of "hierarchical management, classified implementation, and layered training" to deeply tap and develop various talents, and firmly implement the talent-strong enterprise strategy.

In terms of the Group's talent training path and management methods, we continue to optimize the career development planning path for young talents based on graduate training. We have built a talent training system with "one body and two wings, six major platforms" by setting up post-doctoral workstations, youth science and scientific research and development groups, innovation studios, and Nanjing Environmental Protection training bases, with professional talent system and expert talent system as the two wings.

At employee skill-building side, relying on the *2022 Training Project Plan of Datang Environment Industry Group Co., Ltd.* We provide employees with three major types of training: "production technology and skill training", "performance capability training" and "business topic training", covering production management and environmental management, safety supervision management, material procurement management, legal closure management, investment project engineering cost management, and other contents, comprehensively and steadily improving employees' professional level.

For career development and promotion, we provide employees with diversified career development paths through the *Administrative Measures for Employee Promotion*, and a promotion mechanism covering all positions. At the same time, we continue to deepen the reform of talent development mechanisms, and implement the conversion of talent reserves, recruitment, attraction, and motivation of talented individuals to stay in our company.

Case: The Group Conducts Comprehensive Three-System Internal Auditor Training

In November 2022, in order to strengthen the professional knowledge of employees in the quality management system, energy management system, and environmental management system and cultivate certification and management talents in these three systems, we organized training on the standards of the three systems. Fourteen people participated in the training, which covered knowledge on the certification standards, certification procedures, and other audit-related knowledge. The training effectively improved the risk control ability of Datang Environment and enhanced the professional quality of the employees.



Three-system internal auditor training



Case: Caring For New Employees With The "Hello, New Datanger"

In August 2022, the Nanjing Environmental Protection launched the "Hello, New Datanger" to help new employees integrate into the company and adapt to their work roles. Based on actual situations, the company developed a comprehensive, scientific, and reasonable training program that involved all departments of the company, from general education to business explanations, and from management departments to frontline production. After completing the training, the Communist Youth League organized various welcoming activities that raised the new employees' awareness of corporate culture and brought them closer together as colleagues.



Theme Day for New Employees of Nanjing Environmental Protection



Training for New Employees of Nanjing Environmental Protection



5.4 Continuous Service to Local Communities

As a responsible enterprise, Datang Environment upholds the role of a central enterprise and actively engages in public welfare undertakings, cultivates a new trend of social volunteer services, and deeply participates in grassroots efforts to solve social problems. In the current year, we actively responded to the call of "improving the volunteer service system and working mechanism" in the 20th National Congress report, and launched a series of volunteer service activities with the "Three-Color Flower" Volunteer Service Association and various affiliated company youth leagues. We focused on the foundation role of volunteer service projects in society and generated a wide-ranging impact, showcasing the image of a responsible central enterprise and further enhancing the social influence of the Datang Environment.

Case: Datang Environment's "Three-Color Flower" Volunteer Service Association Awarded As The Best Volunteer Service Organization In China

In the current year, the Three-Color Flower volunteer service association continued to focus on corporate strengths such as civilization, health, and green environmental protection, and carried out a series of volunteer activities such as "Cloud Exercise" between classes, waste classification, and nucleic acid testing.

Volunteers of the Three-Color Flower volunteer service association tailored three sets of "Cloud Exercise" for children of different age groups, allowing more than 800 students from 22 classes to exercise at home during online classes. At the same time, the volunteers also worked with the Shuguang Street Youth League Committee to jointly build a waste classification system for Shuguang Garden community, explaining waste classification knowledge and guiding residents to properly classify household waste. In addition, during the repeated outbreaks of the epidemic, young employees took the initiative to participate in the community's anti-epidemic efforts, while fulfilling their job responsibilities, they also acted as community volunteers, contributing their youth to the fight against the epidemic.



The Best Volunteer Service Organization In China



Three-Color Flower's Cloud Exercise Shuguang Garden community voluntary service

Case: Nanjing Environmental Protection Conducts "Learn From Lei Feng Day" Volunteer Service Activity

In early March 2022, Nanjing Environmental Protection Company Youth League organized young volunteers to go to the Nanjing Tongren Hospital to carry out the "Youth Volunteerism for the New Era" themed "Learn from Lei Feng Day" volunteer service activity. They helped maintain order at the scene, assisted in registration and verification of identity information, checked health codes and itinerary codes, helped measure body temperature, and warmly assisted the elderly who had difficulty moving to relevant departments for examination.

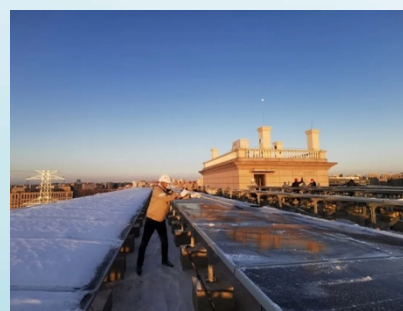
While fulfilling their job responsibilities, the young people of Datang Environment strive to keep the spirit of Lei Feng alive through their actions, and keep in mind the idea of serving and dedicating to society.



"Learn From Lei Feng Day" volunteer service activity

Case: Volunteer Service Activity "Polishing the Photovoltaic Panels And Illuminating The Intelligent Building" Conducted By Technologies & Engineering Company

On the evening of 14 February, 2022, in order to further cultivate the spirit of volunteer service and encourage more employees to participate in public welfare, the Youth League Committee of Technologies & Engineering Company organized a team of more than 20 volunteers, including the Youth Stormtroopers, Young Horse Class members, and Party members and youth league members, to climb to the top floor of the company's building to carry out the "Polishing the Photovoltaic Panels and Illuminating the Intelligent Building" volunteer service activity. After two hours of hard work, a total of 210 photovoltaic panels were successfully cleaned, reducing the pressure caused by heavy snow on the roof photovoltaic panels.



The Youth League Committee of Technologies & Engineering Company

6. ENVIRONMENTAL AND SOCIAL PERFORMANCE

6.1 Environmental Performance Data

Indicators	Units	2022	2021	2020
Total revenue	RMB '000	5,322,722	5,288,416	6,821,071
Production volume of denitrification catalysts	m ³	25,561	26,406	34,448
Emissions of Air Pollutants				
Indicators	Units	2022	2021	2020
Sulfur dioxide emissions from production	Tons	0.69	0.76	0.75
Nitrogen oxides emissions from production	Tons	4.14	2.34	4.11
Compliant sulfur dioxide emissions from concession operations	Tons	14,228.25	15,022.67	12,591.62
Compliant nitrogen oxides emissions from concession operations	Tons	20,672.64	22,394.10	18,243.10
Sulfur dioxide emissions reduction amount	Tons	1,820,103.69	1,763,043.40	1,373,157.95
Nitrogen oxide emissions reduction amount	Tons	210,773.65	204,404.27	160,395.80
GHG Emissions				
Indicators	Unit	2022	2021	2020
Total GHG emissions ¹	Tons CO ₂ e	1,863,541.10	1,851,816.71	1,638,254.65
Total GHG emissions intensity	Tons CO ₂ e /RMB '000	0.35	0.35	0.24
Scope 1: Direct emissions (excluding emission reductions due to planted trees) ²	Tons CO ₂ e	4,078.75	4,394.63	4,397.07
Scope 1 Emission intensity	Tons CO ₂ e /RMB '000	7.66x10 ⁻⁴	8.31x10 ⁻⁴	6.45x 10 ⁻⁴
Scope 2 Indirect emissions ³	Tons CO ₂ e	1,859,474.76	1,847,434.32	1,633,869.77
Scope 2 Emission intensity	Tons CO ₂ e /RMB '000	0.35	0.35	0.24

¹ The calculation scope of total greenhouse gas emissions includes the sum of the Group's direct greenhouse gas emissions (Scope 1) and indirect greenhouse gas emissions (Scope 2), excluding GHG emission reductions due to planted trees.

² The calculation scope of direct GHG emissions (Scope 1) includes the use of boilers and forklifts in the production of products, as well as the use of cooking and automobiles in daily operations. The calculation methods and relevant emission factors are based on the *Guidelines for Accounting and Reporting Greenhouse Gas Emissions from Other Industrial Enterprises (Trial)* and the *Guidelines for Accounting and Reporting Greenhouse Gas Emissions from Road Transport Enterprises (Trial)* issued by the National Development and Reform Commission of the PRC.

³ The calculation scope of indirect GHG emissions (Scope 2) includes the indirect GHG emissions caused by the use of electricity by each subsidiary. The calculation methods and relevant emission factors are formulated with reference to 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.



Scope 1: GHG emission reductions due to planted tree ⁴	Tons CO ₂ e	12.42	12.24	12.19
Hazardous Waste				
Indicators	Units	2022	2021	2020
Recovered waste catalysts ⁵	m ³	3,999.83	2,854	5,338.25
Spent catalysts ⁶	m ³	3,012.2	2,889.305	5,995.17
Spent lubricating oil	Tons	1.82	2.78	5.88
Sludge from wastewater treatment	Tons	32,827.89	34,783.59	41,903.25
Dust containing hazardous waste	Tons	529.76	291	640.53
Desulfurization gypsum ⁷	Tons	6,001,251.60	5,567,463.39	4,440,449.26
Intensity of total amount of spent catalysts generated	m ³ /RMB '000	1.32 x 10 ⁻³	1.09 x 10 ⁻³	1.66 x 10 ⁻³
Total amount of hazardous waste generated excluding spent catalysts	Tons	6,034,611.08	5,602,540.76	4,482,998.92
Intensity of total hazardous waste generated excluding spent catalysts	Tons/RMB '000	1.13	1.06	0.66
Non-hazardous Waste				
Indicators	Units	2022	2021	2020
Domestic waste	Tons	138.50	145.00	148.50
Paper	Tons	2.53	3.02	1.60
Other non-hazardous waste ⁸	Tons	1,120.00	2,666.00	2,899.80
Total amount of non-hazardous waste generated	Tons	1,261.03	2,814.02	3,049.90
Intensity of total amount of non-hazardous waste generated	Tons/RMB '000	2.37 x 10 ⁻⁴	5.32 x 10 ⁻⁴	4.47 x 10 ⁻⁴
Wastewater Discharge				
Indicators	Unit	2022	2021	2020
Amount of wastewater discharged ⁹	m ³	98,720.00	65,958.00	96,996.00

⁴ The calculation method and relevant emission factors of GHG emission reduction from planting tree are referred to the *Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes)* in Hong Kong jointly issued by the Electrical and Mechanical Services Department and the Environmental Protection Department of Hong Kong.

⁵ As recovered waste catalysts are used as production materials for Nanjing environmental protection, they are not included in the calculation of hazardous waste density and total hazardous waste amount.

⁶ As the spent catalysts data was collected in cubic meters, and was difficult to convert to tons. Therefore, the total amount of hazardous waste does not consider the generation of spent catalysts.

⁷ During the Reporting Period, all desulfurization gypsum came from the concession operation, and all waste desulfurization gypsum has been comprehensively utilized.

⁸ The scope of data includes Nanjing Environmental Protection. Other non-hazardous wastes include solid wastes such as scrap steel and plastic materials generated during the production process.

⁹ The scope of data includes Nanjing Environmental Protection. Wastewater generated from the operation of the desulfurization and denitrification system of the concession operation business has achieved zero discharge of wastewater, and all treated wastewater will be reused in the power plant.



Use of Resources				
Indicators	Units	2022	2021	2020
Water Consumption	Ten thousand m ³	3,409.45	3,437.96	2,900.68
Intensity of water consumption	Ten thousand m ³ /RMB '000	6.41 x 10 ⁻⁴	6.50 x 10 ⁻⁴	4.25 x 10 ⁻⁴
Electricity consumption	MWh	3,260,520.37	3,179,749.26	2,678,036.02
Intensity of electricity consumption	MWh/RMB '000	0.61	0.60	0.39
Natural gas consumption	Ten thousand m ³	171.32	186.28	186.23
Intensity of natural gas consumption	Ten thousand m ³ /RMB '000	3.21 x 10 ⁻⁵	3.52 x 10 ⁻⁵	2.73 x 10 ⁻⁵
Gasoline consumption	Tons	139.89	135.88	113.73
Intensity of gasoline consumption	Tons/ RMB '000	2.63 x 10 ⁻⁵	2.57 x 10 ⁻⁵	1.67 x 10 ⁻⁵
Diesel consumption	Tons	3.93	3.90	4.20
Intensity of diesel consumption	Tons/ RMB '000	7.39 x 10 ⁻⁷	7.37 x 10 ⁻⁷	6.16 x 10 ⁻⁷
Use of Packaging Materials				
Types	Units	2022	2021	2020
Packaging film consumption	Tons	30.02	35.38	43.76
Packaging film used per cubic meter of denitrification catalysts manufactured	Tons/m ³	1.17 x 10 ⁻³	1.34 x 10 ⁻³	1.27 x 10 ⁻³
Module frame consumption	Pieces	12,317.00	12,861.00	16,555.00
Module frame used per cubic meter of denitrification catalysts manufactured	Piece/m ³	0.48	0.49	0.48

6.2 Social Performance Data

Total Workforce						
Indicators			Units	2022	Percentage	
Number and percentage of employees	Total		Persons	1,008	100.00%	
	By gender	Male	Persons	739	73.31%	
		Female	Persons	269	26.69%	
	By employment type	Concession operation management personnel		Persons	328	32.54%
		Engineering and technical personnel		Persons	204	20.24%
		Sales personnel		Persons	69	6.85%
		Research and development personnel		Persons	309	30.65%
		Administrative and management personnel		Persons	67	6.65%
		Manufacture personnel		Persons	19	1.88%
		Others		Persons	12	1.19%
		By age group	Age below 30		Persons	161
	Age 30-39		Persons	341	33.83%	
	Age 40-49		Persons	275	27.28%	
	Age 50 and above		Persons	231	22.92%	
	By geographical region	China		Persons	1,008	100.00%
	Employee turnover					
	Indicators			Units	2022	Turnover rate
Number and rate of employee turnover	Total		Persons	54	5.08%	
	By gender	Male	Persons	39	5.01%	
		Female	Persons	15	5.28%	
	By age group	Age below 30		Persons	11	5.45%
		Age 30-39		Persons	25	6.76%
		Age 40-49		Persons	9	3.09%
		Age 50 and above		Persons	9	4.52%
	By geographical region	China		Persons	54	5.08%



Development and Training					
Indicators			Units	2022	Percentage of employees trained
Number and percentage of employees trained	Total		Persons	1,008	100%
	By gender	Male	Persons	739	100%
		Female	Persons	269	100%
	By employment category	Concession operation management personnel	Persons	328	100%
		Engineering and technical personnel	Persons	204	100%
		Sales personnel	Persons	69	100%
		Research and development personnel	Persons	309	100%
		Administrative and management personnel	Persons	67	100%
		Manufacture personnel	Persons	19	100%
		Others	Persons	12	100%
Average training hours per employee	Average		Hours	91.77	/
	By gender	Male	Hours	91.17	/
		Female	Hours	93.42	/
	By employment category	Concession operation management personnel	Hours	52.52	/
		Engineering and technical personnel	Hours	89.16	/
		Sales personnel	Hours	126.84	/
		Research and development personnel	Hours	89.09	/
		Administrative and management personnel	Hours	190.15	/
		Manufacture personnel	Hours	355.68	/
		Others	Hours	108.92	/



Occupational Health and Safety				
Indicators	Units	2022	2021	2020
Number of work-related injuries and fatalities	Person	0	0	0
Rate of work-related injuries and fatalities	%	0	0	0
Lost days due to work-related injury	Day	0	0	0

Supply Chain Management					
Indicators		Units	2022	Percentage	
Number and percentage of suppliers	Total	Number	372	100%	
	By geographical region	Beijing	Number	55	14.78%
		Tianjin	Number	9	2.42%
		Shanghai	Number	15	4.03%
		Chongqing	Number	2	0.54%
		Hebei Province	Number	32	8.60%
		Shanxi Province	Number	9	2.42%
		Liaoning Province	Number	14	3.76%
		Jilin Province	Number	1	0.27%
		Jiangsu Province	Number	65	17.47%
		Zhejiang Province	Number	13	3.49%
		Anhui Province	Number	14	3.76%
		Fujian Province	Number	3	0.81%
		Shanxi Province	Number	3	0.81%
		Shandong Province	Number	33	8.87%
		Henan Province	Number	49	13.17%
		Hubei Province	Number	5	1.34%
		Hunan Province	Number	3	0.81%
		Guangdong Province	Number	16	4.30%
		Hainan Province	Number	1	0.27%
		Sichuan Province	Number	5	1.34%
		Guizhou Province	Number	1	0.27%
		Shaanxi Province	Number	11	2.96%
		Gansu Province	Number	1	0.27%
		Inner Mongolia Autonomous Region	Number	9	2.42%
Ningxia Hui Autonomous Region	Number	2	0.54%		
India	Number	1	0.27%		



Product Responsibility			
Indicators		Units	2022
Total number of catalysts sold or shipped subject to recalls for safety and health reasons	Number of catalysts sold or shipped	m ³	25,560.64
	Number and percentage of catalysts recalled for safety and health reasons	%	0
Complaints received concerning products services	Number of complaints received	Cases	0

Anti-corruption		
Indicators	Unit	2022
Number of concluded legal cases regarding corrupt practices brought against the Company or our employees	Cases	0

Community Investment		
Indicators	Unit	2022
Employee volunteering hours	Hours	1,000

APPENDIX I: LIST OF LAWS AND REGULATIONS COMPLIANCE DURING THE REPORTING PERIOD

The following table listed out the laws and regulations that have a significant impact on the Group's business operations in China and the Group's compliance situation with relevant laws and regulations during the Reporting Period.

ESG Aspects	Law and Regulations	Compliance
ENVIRONMENT	<p><i>Environmental Protection Law of the People's Republic of China</i></p> <p><i>Law of the People's Republic of China on Environmental Impact Assessment</i></p> <p><i>Cleaner Production Promotion Law of the People's Republic of China</i></p> <p><i>Atmospheric Pollution Prevention and Control Law of the People's Republic of China</i></p> <p><i>Water Pollution Prevention and Control Law of the People's Republic of China</i></p> <p><i>Water and Soil Conservation Law of the People's Republic of China</i></p> <p><i>Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes</i></p> <p><i>Law of the People's Republic of China on Prevention and Control of Pollution from Environmental Noise</i></p> <p><i>Energy Conservation Law of the People's Republic of China</i></p> <p><i>Renewable Energy Law of the People's Republic of China</i></p> <p><i>Water Law of the People's Republic of China</i></p> <p><i>Environmental Protection Tax Law of the People's Republic of China</i></p> <p><i>Circular Economy Promotion Law of the People's Republic of China</i></p>	<p>During the Reporting Period, the Group did not violate any laws and regulations that have a significant impact on the Group's operations in relation to waste gas and GHG emissions, discharges into water and land, generation of hazardous and nonhazardous waste, and noise pollution.</p>



	<p><i>Environmental and Hygiene Standards for Construction Sites</i></p> <p><i>Integrated Emission Standard of Air Pollutants</i></p> <p><i>Emission Standard for Industrial Enterprises Noise at Boundary</i></p> <p><i>National Hazardous Waste List</i></p> <p><i>Regulations on the Safety Management of Hazardous Chemicals</i></p> <p><i>Identification Standards for Major Hazard Sources of Hazardous Chemicals</i></p>	
Employment	<p><i>Labor Law of the People's Republic of China</i></p> <p><i>Labor Contract Law of the People's Republic of China</i></p> <p><i>Social Insurance Law of the People's Republic of China</i></p> <p><i>Law of the People's Republic of China on the Protection of Disabled Persons</i></p> <p><i>Special Provisions on the Labor Protection of Female Employees</i></p> <p><i>Contract Law of the People's Republic of China</i></p>	<p>During the Reporting Period, the Group did not violate any laws and regulations that have a significant impact on the Group's operations in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p>
Labor practices	<p><i>Labor Law of the People's Republic of China</i></p> <p><i>Law of the People's Republic of China on the Protection of Minors</i></p> <p><i>Provisions on the Prohibition of Using Child labor</i></p>	<p>During the Reporting Period, the Group did not violate any laws and regulations that have a significant impact on the Group's operations in relation to preventing child and forced labor.</p>
Occupational Health and Safety	<p><i>Law of the People's Republic of China on the Prevention and Control of Occupational Diseases</i></p> <p><i>Production Safety Law of the People's Republic of China</i></p> <p><i>Fire Protection Law of the People's Republic of China</i></p> <p><i>Emergency Response Law of the People's Republic of China</i></p> <p><i>Regulations on Work Safety of Construction Projects</i></p> <p><i>Regulations on Emergency Response to Production Safety Accidents</i></p> <p><i>National Emergency Plan for Environmental Emergencies</i></p>	<p>During the Reporting Period, the Group did not violate any laws and regulations that have a significant impact on the Group's operations in relation to providing a safe working environment and protecting employees from occupational hazards.</p>



<p>Product Responsibility</p>	<p><i>Product Quality Law of the People's Republic of China</i></p> <p><i>Patent Law of the People's Republic of China</i></p> <p><i>Trademark Law of the People's Republic of China</i></p> <p><i>Law of the People's Republic of China on the Protection of Consumer Rights and Interests</i></p> <p><i>Copyright Law of the People's Republic of China</i></p> <p><i>Tort Law of the People's Republic of China</i></p> <p><i>Civil Code of the People's Republic of China</i></p>	<p>During the Reporting Period, the Group did not violate any laws and regulations that have a significant impact on the Group's operations in relation to health and safety, labelling and privacy matters relating to products and services provided and methods of redress.</p>
<p>Anti-Corruption</p>	<p><i>Criminal Law of the People's Republic of China</i></p> <p><i>Company Law of the People's Republic of China</i></p> <p><i>Anti-Money Laundering Law of the People's Republic of China</i></p> <p><i>Anti-Unfair Competition Law of the People's Republic of China</i></p> <p><i>Code of Integrity and Self-discipline of the Communist Party of China</i></p> <p><i>Certain Regulations on the Integrity of Leading Personnel of State-owned Enterprises</i></p>	<p>During the Reporting Period, the Group did not violate any laws and regulations that have a significant impact on the Group's operations in relation to bribery, extortion, fraud and money laundering.</p>



APPENDIX II: INDEX OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A. ENVIRONMENTAL			
Subject Areas, Aspects, General Disclosures and KPIs		Section	
Aspect A1: Emissions			
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 air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	4.2 Emission Reduction and Pollution Management	
Key Performance Indicators	A1.1	Types of emissions and respective emissions data.	Environmental Performance Data
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Performance Data
	A1.3	Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Performance Data
	A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Performance Data
	A1.5	Description of emission target (s) set and steps taken to achieve them.	4.2 Emission Reduction and Pollution Management
	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.	4.2 Emission Reduction and Pollution Management
Aspect A2: Use of Resources			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	4.3 Resource Utilization and Circular Economy	
Key Performance Indicators	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).	Environmental Performance Data
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Environmental Performance Data



Key Performance Indicators	A2.3	Description of energy use efficiency target (s) set and steps taken to achieve them.	4.3 Resource Utilization and Circular Economy
	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.	4.3 Resource Utilization and Circular Economy
	A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	Environmental Performance Data
Aspect A3: The Environment and Natural Resources			
General Disclosure		Policies on minimising the issuer’s significant impact on the environment and natural resources.	4.2 Emission Reduction and Pollution Management
Key Performance Indicators	A3.1	Policies on minimising the issuer ‘s significant impacts on the environment and natural resources.	4.2 Emission Reduction and Pollution Management
Aspect 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.	4.4 Address Climate Change
Key Performance Indicators	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.	4.4 Address Climate Change
B. SOCIAL			
Subject Areas, Aspects, General Disclosures and KPIs			Section
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, antidiscrimination, and other benefits and welfare relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	5.1 Uphold Fair Employment for Employees



Key Performance Indicators	B1.1	Total workforce by gender, employment type, age group and geographical region.	Social Performance Data
	B1.2	Employee turnover rate by gender, age group and geographical region.	Social Performance Data
Aspect 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.	5.2 Care for the Physical and Mental Health of Employees
Key Performance Indicators	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Social Performance Data
	B2.2	Lost days due to work injury.	Social Performance Data
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	5.2 Care for the Physical and Mental Health of Employees
Aspect B3: Development and Training			
General Disclosure		Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	5.3 Focus on Employee Training and Development
Key Performance Indicators	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Social Performance Data
	B3.2	The average training hours completed per employee by gender and employee category.	Social Performance Data
Aspect B4: Labor 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.	5.1 Uphold Fair Employment for Employees
Key Performance Indicators	B4.1	Description of measures to review employment practices to avoid child and forced labour.	5.1 Uphold Fair Employment for Employees



Key Performance Indicators	B4.2	Description of steps taken to eliminate such practices when discovered.	5.1 Uphold Fair Employment for Employees
Aspect B5: Supply Chain Management			
General Disclosure		Policies on managing environmental and social risks of the supply chain.	2.1 Adhere to Compliance Management
Key Performance Indicators	B5.1	Number of suppliers by geographical region.	2.1 Adhere to Compliance 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.	2.1 Adhere to Compliance Management
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	2.1 Adhere to Compliance Management
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	2.1 Adhere to Compliance Management
Aspect B6: Product Responsibility			
General Disclosure		Information on: (a) he policies; and (b) ompliance 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.	2.2 Safety Production and Quality Management
Key Performance Indicators	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Social Performance Data
	B6.2	Number of products and service related complaints received and how they are dealt with.	2.2 Safety Production and Quality Management
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	3.2 Technical Innovation and Intellectual Property



Key Performance Indicator	B6.4	Description of quality assurance process and recall procedures.	2.2 Safety Production and Quality Management
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	3.1 Customer Service and Privacy Protection
Aspect B7: Anti-corruption			
General Disclosure		Information on: (a) he policies; and (b) ompliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	2.1 Adhere to Compliance Management
Key Performance Indicators	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.	2.1 Adhere to Compliance Management
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	2.1 Adhere to Compliance Management
	B7.3	Description of anti-corruption training provided to directors and staff.	2.1 Adhere to Compliance Management
Aspect 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.	5.4 Continuous Service to Local Communities
Key Performance Indicators	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	5.4 Continuous Service to Local Communities
	B8.2	Resources contributed (e.g. money or time) to the focus area.	Social Performance Data



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Datang Environment Industry Group Co., Ltd.*