# 安徽皖通高速公路股份有限公司

ANHUI EXPRESSWAY COMPANY LIMITED

(HK 00995)

Work Together for a Better Tomorrow

2022 Environmental, Social and Governance Report of Anhui Expressway Company Limited

AFCR

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# **About Us**

## **Company Profile**

Anhui Expressway Company Limited ("The Company") was incorporated in Anhui Province of the People's Republic of China on August 15, 1996. It is the first Mainland Chinese highway company listed in Hong Kong and the only listed highway company in Anhui Province. In November 1996, the Company issued overseas listed foreign shares (H shares) to be publicly traded on the Stock Exchange of Hong Kong Limited. In January 2003, it issued RMB ordinary shares (A shares) in China to be publicly traded on the Shanghai Stock Exchange.

The Company is mainly engaged in investment, operation and development of toll roads, It holds all or part of the rights and interests of such toll roads located in Anhui Province as Heining Expressway (Heining Section of G40 Shanghai-Shaanxi Expressway), new line of Tianchang Section of National Highway 205, Gaojie Expressway (Gaojie Section of G50 Shanghai-Chongqing Expressway), Xuanguang Expressway (Xuanguang Section of G50 Shanghai-Chongqing Expressway), Guangci Expressway (Guangci Section of G50 Shanghai-Chongqing Expressway), Tianchang Section of Ninghuai Expressway, Anhui Section of Lianhuo Expressway (Anhui Section of G30 Lianhuo Expressway), Ningxuanhang Expressway, Anqing Yangtze River Highway Bridge and Anhui Section of Yuewu Expressway. By the end of 2022, the Company had had 609 kilometers of highways in operation. Furthermore, the Company also provides entrusted management services for Anhui Transportation Holding Group and other highway property rights owners in the province. Up to now, the total mileage of highways managed by the Company has reached 5039 kilometers.

21.303 billion of total assets 5.206

587

million of tax payment

billion of operating revenue

billion of total profit

1.977

# 0.8712

basic earnings per share



## **Management Architecture**



## **Development Strategy**



During the 14th Five-Year Plan Period, the Company will focus on building a unified highway operations management platform, actively adapt to the new operations management situation of "One Network" nationwide, accelerate its upgrading from the traditional operation mode to the innovation-driven mode, build a high-level operations management platform, and create a new benchmark of highway operations management. Meanwhile, efforts will be made to actively carry out capital operation, expand the size of the main business, optimize the industrial structure, and strive to build a first-class capital operation platform for listed companies in China

# **Data in 2022**



Society

A total of

1,972 employees

An employee training rate of

87.98%

4 Shareholders' meetings held

institutional surveys received

Greenhouse gas emissions reached

# 21,143.07tons

Carbon dioxide emissions from direct energy consumption decreased by

**398.91** tons year-on-year

A labor contract signing rate of

100%

Cumulative volunteering hours

15,663 hour

TELECORE

# Create the Value of **Future via Steady Operation**

Scientific and standardized system, checks and balances supervision mechanism and effective execution are the cornerstone of sound and sustainable corporate development. Hence, the Company strictly abides by The Company Law of the People's Republic of China, The Securities Law of the People's Republic of China and other laws and regulations, constantly improves the corporate governance mechanism, standardizes and improves corporate management and control, and promotes its sustainable, stable and sound development. In 2022, rated of one of 2021 China Top 100 Listed Companies in Profitability Index and honored with China Top 100 Enterprises of Best Management and Operations.

## **Corporate Governance**

#### Improve the governance mechanism

A corporate governance structure composed of the general meeting of shareholders, the Board of Directors, the Board of Supervisors and the management has been established; and multi-level governance rules based on the Company's Articles of Association have been formulated to clarify the responsibilities, limits of authority and code of conduct of all parties. The general meeting of shareholders, the Board of Directors, specialized committees and the Board of Supervisors perform their respective functions in a balanced, orderly and coordinated manner in accordance with regulations and governance rules, so as to continuously improve the level of corporate governance and decision-making efficiency.



Corporate Governance Architecture Diagram

The Board of Directors is composed of 9 directors, including 4 executive directors, 2 non-executive directors and 3 independent directors. The independent directors account for 33.33% of the total number of directors, providing independent advice on business strategy, performance and management. The Board of Directors is mainly responsible for decision-making in relation to the Company's development strategy, management architecture, investment and financing management. Under the Board of Directors are three specialized committees, namely, the Strategic Development and Investment Committee, the Audit Committee, and the Human Resources and Compensation Committee, to ensure that the governance mechanism is standardized, scientific and efficient.

12 8 4 Shareholders' **Board of Directors** Supervisory Commitee meetings held meetings held meetings held

## Standardize information disclosure

We continue to enhance investor communication and transparency in our operations by truthfully, accurately, completely and promptly disclosing information on the Shanghai Stock Exchange, the Stock Exchange of Hong Kong, the Company's website, investor meetings, phone calls and e-mails. We effectively safeguard the right of shareholders, creditors and other stakeholders to know and participate in major issues of the Company. In 2022, the Company disclosed a total of 107 documents, including 46 A-share provisional announcements and 35 H-share provisional announcements.

#### Take multiple measures to fulfill the responsibilities of a listed company

We actively organized activities such as May 15 National Investor Protection Promotion Day, Promotion Month for Prevention of Illegal Securities and Futures, and 2022 China Fair Competition Policy Promotion Week to build good investor relations. A floating window has been designed on the Company's official website for anti-monopoly publicity, and an electronic screen has been installed to play the fair competition promotion video.



## **ESG Management**

The communication and participation of employees, investors, drivers and passengers, suppliers, regulators, media and community representatives is an important part of the day-to-day operations of the Company. We expand the communication channels and methods for stakeholders, listen to the expectations and suggestions of all parties on the performance of corporate social responsibility, actively respond to the opinions and concerns of stakeholders, and work together with all parties to share value.

#### **Responsibility promotion**

The ESG management concepts and methods are incorporated into every link of enterprise management and operations. In combination with the development strategy and operation mode, efforts have been made to continuously improve ESG management system and mechanism to address the expectations and concerns of all stakeholders.

The Board of Directors of the Company attaches great importance to sustainable development and has set up an Environment, Society and Governance (ESG) Working Group with the General Manager as the leader and senior executives such as Deputy General Managers as the deputy leaders to form an ESG structure with a clear hierarchy and clear division of labor to ensure the orderly progress of social responsibility practice. Meanwhile, the Board of Directors is responsible for the management and decision-making of the Company's ESG matters, regularly listens to the report of the Secretariat of the Board of Directors on ESG work, comprehensively supervises the ESG management, and specially listens to and deliberates the Company's Environmental, Social and Governance Report every year.

#### **Responsibility communication**

In order to fully understand the performance expectations and suggestions of stakeholders, we actively communicate and exchange with stakeholders to understand their opinions and concerns.

#### Stakeholder Communication Form

Stakeholder	Expectations and Requirements	Response Action
Investors/shareholders	Business performance improvement Transparent information disclosure Clean practice	Shareholders'meetings Performance presentations Regular reports and information announcements Exchange visits
Government and regulators	Legally compliant operations Strengthened risk control Local development support	Daily reporting and communication Work meetings Forums and exchange activities Regular reports and information announcements
Employees	Career development space Training and growth Performance feedback A healthy and safe working environment Work/life balance	Regular meetings Daily communication Regular training Employee activities
Customers/drivers and passengers/road users	Enhanced customer experience Customer complaint feedback Customer privacy protection Open and transparent toll collection Clear roads Road safety and rescue	Customer service hotline Customer service complaint platform Customer satisfaction survey Toll information disclosure Road information disclosure
Environment	Environmental management Green operations Publicity and education	Environmental information disclosure Forums and exchange activities
Suppliers/partners	Open and fair bidding Honest cooperation Regular communication and feedback Win-win development	Electronic bidding platform Business development and cooperation Work meetings
کی Community/public	Community communication Community public welfare activities	Public welfare activities Volunteer service Community building Information disclosure

#### Substantive analysis and evaluation

Based on the analysis and evaluation of external stakeholders' expectations, the Company's own strategy and sustainable development ability, and according to the relevant requirements of domestic and foreign social responsibility standards, the issues are sorted from the two dimensions of "materiality to corporate development" and "materiality to stakeholders", and substantive issues are selected for disclosure in the report.

#### **Defining material issues**

#### Issue identification 🔘

review the important practices within the Company's ESG responsibility category, and establish the Company's responsibilityissue database

#### Issue investigation

conduct research with internal and external stakeholders to identify key issues of concern 🔘

#### Materiality matrix

The Company communicates with the stakeholders through visits, questionnaires, investor meetings, phone calls and emails to fully understand the sustainable development issues concerned by all stakeholders. In 2022, we sorted out our own business development and ESG work results, and reviewed and revised the material issues matrix.





## Legal Compliance

The Company adheres to integrity and legal operations and continuously strengthens the internal controls to provide a strong guarantee for its high quality development. In 2022, there were no inquiries, notifications or penalties arising from violations of anti-corruption, anti-extortion, anti-fraud and anti-money laundering laws and regulations.

#### **Regulated management**

The Company adheres to the principle of legally compliant operations and complies with national laws, regulations and policies as well as the laws, regulations and requirements concerning listed companies of the securities regulatory authorities. The Company has set up an audit department, and improved the level of management and risk prevention ability through the development of internal control system.

In strict accordance with the national laws and regulations and industry norms, we emphasize the integrity management, and reject all illegal activities. By strengthening audit supervision, establishing the internal control system, and improving compliance awareness education, we ensure the legally compliant operations of the Company. Awarded 2022 Advanced Legal Work Unit in Highway Industry, the Company has formed management achievements such as Special Compliance Guidelines in Key Fields, added and revised 79 systems, revised the Articles of Association of 4 subsidiaries, and further improved the internal management business processes.

#### **Risk control**

In order to standardize and strengthen risk control, the Company has put in place a comprehensive risk management system composed of risk management system, risk identification and countermeasures. We have further issued the Risk Management Manual, formulated comprehensive risk management evaluation criteria and risk database in line with the industry characteristics, and ensured the legally compliant operations and management and true and complete information disclosure, so as to improve the efficiency of operations and management, and guarantee high quality and steady development.

Improve the risk management system

The "three-in-one" Internal Control Manual has been revised and updated, and the evaluation and update mechanism of internal control has been improved; and the Operating Procedure for Evaluation and Update of Internal Control System has been formulated and issued, significantly enhancing the ability of risk prevention and solution.

Implement risk management response measures

According to the relevant requirements of Operating Procedure for Evaluation and Assessment of Risk Control Work, the tasks are decomposed, the specific implementation plan issued, and the completion time limit and key task nodes are specified to ensure the implementation of all risk control and management work.

Establish the Total Risk Management Office The Total Risk Management Office is set up in the Audit Department, composed of key personnel from each department, responsible for collecting, analyzing and sorting out various material risks and proposing countermeasures. In 2022, a total of 8 special meetings were held to study and discuss 13 issues in relation to risk control and management, providing working opinions for the Company's risk management decisions.

## Anti-corrupttion

The Company strengthens uncorrupted business development by improving the uncorrupted business system, carrying out uncorrupted business education and training, and standardizing the reporting process, so as to continuously improve the level of uncorrupted business development of all staff. The Company further broadens the problem-reporting channels for workers, urges the first line sites to open up the uncorrupted business column and set up a suggestion box at the tollbooths, publicizes the unit complaint telephone, mailbox, E-mail, and organize series of activities such as Uncorrupted Business + Toll Station and Uncorrupted Business+ Bid Invitation, and strengthens supervision and constraints. In 2022, external directors attended five anti-corruption training sessions. The Company further advances anti-corruption oversight and continue to extend the reach of oversight. More than 100 articles were published on CCTV and provincial mainstream news media, and no major negative public opinion events occurred throughout the year.

## Conducted incorruption training for toll station managers and improved the awareness of corruption risk prevention

In 2022, the Company further rolled out the Uncorrupted Business + Toll Station specialized activity, and gave an anti-corruption lecture regarding the exercise of power to perform duties by the toll station managers in the toll station manager training program of the operating units. Through in-depth interpretation of relevant provisions of the penalty regulations, in-depth analysis of typical problems and causes of toll booths and summary of revelations, the lecture conducted an in-depth exchange with employees on a series of issues of concern on the one hand, and answered questions on the behaviors that might cross the red line of discipline in daily work on the other hand. The themed lecture effectively enhanced the understanding of the toll station managers on the job responsibilities and the awareness of corruption risk prevention.



# Safeguard a Beautiful Eco-environment by Low-carbon and Eco-friendly Development

The Company always sticks to the new concept of green highway construction throughout the whole process of highway planning, construction, operations and maintenance, implements green design, green construction and green operation and maintenance. It attaches equal importance to construction, management, maintenance and transportation, improves the level of green development in the whole life cycle of highways, promotes the green and low-carbon development of the transportation industry, and contributes to the implementation of the Peak Carbon and Carbon Neutrality goals.

## **Environmental Management**

The Company strictly abides by the Environmental Protection Law and other relevant laws and regulations, strengthens the development of green environmental protection and conservation system, improves the environmental awareness, and continuously enhances the level of environmental protection. A total of RMB 25.39 million was invested in environmental protection in 2022.

## Improve the environmental system

We respect, conform to and protect nature, take the initiative to assume social responsibilities for environmental protection, and constantly improve the environmental management system in terms of responsibility implementation and risk management, thus consolidating the foundation for green development.

Strengthen the clarification of responsibilities We strictly implement the territorial responsibility system and the leadership guarantee responsibility system, ensure that all policy requirements are implemented to the front line of operations and management, and consolidate environmental responsibility.

Improve risk management Technical Guidelines for Environmental Risk Assessment of Construction Projects and Technical Guidelines for Soil Pollution Risk Assessment of Construction Land have been formulated to improve the risk management system. We pay attention to environmental impact assessment, learn about the surrounding waters and other environments of the project in advance, minimize the environmental pollution from construction.

## Improve the environmental protection awareness

We always center on creating a green and low-carbon office, actively explore ways of energy conservation and emission reduction in daily management, and actively guide all employees in the establishment of hard work and frugality awareness, strive to save water and electricity, and eliminate waste.

Advocate green office operations

We have put in place water and electricity saving systems and indicators, implemented intelligent paperless officing, and comprehensively established an energy-saving office environment; a bus reservation mechanism has been formulated to regulate vehicle management and guide green travel of employees; we have further increased efforts in the upgrading of facilities and equipment in the offices, such as steam valves, water supply pipes and energy-saving lamps, in order to reduce the consumption of resources in the offices.

We have actively worked with the civilization offices of cities and counties along the expressways to carry out publicity and education programs on environmental protection, and organized public welfare activities such as World Water Day and National Urban Water-saving Awareness Week to raise people's awareness of environmental protection.

Taking environmental protection and public welfare actions



Volunteers Organized the Tree-planting Activity

The	Head office: About <b>3,000</b> tons of water saved	Electricity consumption fell <b>7</b> %
	Steam consumption reduced to <b>5,682</b> cubic meters	marking a year-on-year decrease of <b>175</b> cubic meters

## **Low-carbon Operations**

The Company actively responds to climate change, and supports the green and low-carbon development of the transportation industry by exploring and promoting the technologies, measures and management methods of energy conservation and emission reduction, resource recycling and green environmental protection on highways in an all-round and multi-angle manner.

## Cope with climate change

We proactively identify the new challenges and risks brought by climate change to the corporate operations and development, formulate carbon emission reduction measures, promote the use of clean energy, strive to reduce greenhouse gas emissions, and make positive contributions to the mitigation and adaptation of climate change.

#### Reduce greenhouse gas emissions

We reduce greenhouse gas emissions by increasing the use of clean energy, promoting the construction of photovoltaic projects and other new energy projects, and promoting the gas to electricity conversion of commonly used equipment. In 2022, the Company's carbon dioxide emissions from direct energy consumption decreased by 398.91 tons year-on-year.

The Company actively worked with the road network new energy company to build a photovoltaic project in the South Ring Section of Hefei Belt Expressway. With a total investment of about RMB 40 million, the project adopts the mode of "self-generation and self-use, surplus electricity connection to the grid" and gives priority to the power use of toll stations. After completion of the project, the annual electricity generation can reach 4.7 million KWH, equivalent to saving 1,481 tons of standard coal and reducing 4,685 tons of carbon dioxide. This project can promote the greening of energy usage of the Belt Expressway.

Assist in the Construction of Photovoltaic Projects to Support the Development of the New Energy Industry



Photovoltaic Project in the South Ring Section of Hefei Belt Expressway

#### Build the Zero-carbon Park to Help Achieve Carbon Neutrality Goal

Taking the opportunity of the transformation and upgrading of Hefei Administration Office, the Company has innovatively established the Jinzhai Road Toll Station and Hefei Administration Office Zero-carbon Toll Management Park. The project adopts the photovoltaic + charging pile system and configures the 500 kW/1000 kWh energy storage system, which can realize 100% supply of green electricity in the Toll Station Management Park. After the completion of the project, the intelligent energy management platform can be used to conduct real-time monitoring, analysis and intelligent management of the carbon emission data of photovoltaic generation, energy storage and lighting and the overall energy flow in the park, so as to effectively reduce the carbon emission of the park and help achieve the carbon neutrality goal.

Core Indicator Unit		2022
Total greenhouse gas emissions	Ton of carbon dioxide equivalent	21,143.07
Direct emissions (Scope I)	Ton of carbon dioxide equivalent	913.21
Indirect emissions (Scope II)	Ton of carbon dioxide equivalent	20,229.86

#### Address climate risk

We proactively identify the travel risks caused by extreme weather such as blizzard, rainstorm, hail and flood season, as well as possible traffic congestion and rescue difficulties, establish a double-prevention mechanism of risk screening and maintenance inspection, continuously improve the emergency plan system, and enhance the comprehensive response capability for natural disasters.

# Clea

## Clear snow overnight to reduce the impact on traffic

In February 2022, heavy snowfall hit Dabie Mountain Area and southern mountain area of Anhui Province. The snow was as thick as 30 cm on the Huangwei to Laoyaling Tunnel section of Yuegian Expressway. In the face of such extreme weather, the Company started snow removal and road clearing emergency plan overnight, strengthened the road patrol through the "road, police and enterprise", and increased control on the bridge decks, ramps, long steep slopes and other key parts. More than 560 emergency teams were dispatched to mobilize snow removal equipment such as snowmelt agent spreaders, snow plows, graders and multifunctional loaders to carry out snow removal operations in the way of cyclic snow removal, and maximally reduce the impact of snow on traffic.



#### Establish a green supply chain

The Company actively pushes the upstream and downstream suppliers to practice environmental responsibility, incorporates environmental indicators in the supplier access and assessment, clearly specifies the environmental responsibility that the contractors should bear in the contract, and drives partners to jointly perform the responsibility.



In the general contract project of asphalt pavement maintenance for selected expressways in Anhui Province in 2021-2022, in which the Company was involved, the contractor's obligation to fulfill environmental protection is clearly stipulated. Effective measures should be taken to reduce the air pollution caused by the main sources of dust pollution during construction. In the construction, the disturbance to the in-situ surface should be reduced as far as possible to lower the damage to the vegetation on the ground; the construction site should be fully cleaned before opening to traffic; the waste material and slag generated by maintenance construction shall be strictly prohibited from unauthorized disposal. The contract expressly stipulates the constraints on the behaviors of the contractor and the performance of environmental protection obligations.

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Broken-down cars towed overnight

#### Clarify the contractor's environmental responsibility and enhance environmental awareness



## Enhance the rate of resource utilization

We should actively develop green technology, strengthen energy use management and resource recycling, and take measures that are technically feasible, economically reasonable and environmentally and socially acceptable to reduce resource waste and enhance the rate of resource utilization.



Core Indicator	Unit	2022
Energy consumption in total	Ton of standard coal	3,464.10
Energy density	Ton of standard coal/RMB 10,000 of operating revenue	0.0067
Gasoline	Liter	246,947.47
Diesel usage	Liter	77,656.34
Liquefied petroleum gas	Ton	42.76
Water consumption	Ton	146,763
Electricity consumption	kWh	23,185,783
Water consumption rate	Ton/RMB 10,000 of operating revenue	0.282
Steam	Cubic meters	5,682
Asphalt mixture (hot mix)	Ton	71,642
Stone (new material)	Kg	68,344
Snowmelt agent	Kg	624,660
Curing agent (bridge maintenance)	Kg	31,763.8
Paint	Kg	32,589.216
Rolled steel	Kg	675,278.37



Recycling of Waste Materials Helps with High-Speed Maintenance to Save Energy And Reduce Emissions 

As some road sections are filled with soft foundation, the bank slope is cast-in-place concrete arch guard. Due to the unstable support, the upper part of the slope showed shallow slide, and the arch guard presented local fracture damage and slide. The maintenance personnel made full use of used corrugated beam plates, and drove the guardrail plates into the soft foundation sections to increase the anti-overturning and anti-sliding stability coefficient of the retaining structure, which has a positive effect on increasing the protection of the side slope retaining.

"The expressway guardrails we tore down were disposed of as waste assets. Now we will drive the used guardrails into the side slope as soft foundation reinforcement support at the the slope bottom. This practice achieves the secondary efficient use of used guardrails, and realizes the purpose of energy saving and emission reduction."

-Maintenance personnel



A Section of Tiantian Expressway \_\_\_\_\_

Upgrade the Desiccant Wheel Dehumidification Process to Improve Economic and Environmental Benefits

The main cable of the Maanshan Yangtze River Highway Bridge is the core component of the bridge. Three sets of desiccant wheel dehumidification equipment are installed on the bridge to operate for 24 hours for dehumidification of the main cable, so as to avoid the corrosion of the main cable which may affect the normal operation and service life of the bridge. In the long run, however, the dehumidification is too energy-consuming and ineffective. Hence, maintenance technicians constantly improve the dehumidification process, which greatly reduces the operation time of the dehumidifier, Roots pump and aftercooler, and improves the heating efficiency of the heater. The energy consumption of the equipment is reduced by about 47%, about 170,000 KWH of electricity saved every year, and the cost of equipment renewal lowered by about 30%, effectively reducing energy consumption and operating costs.



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## **Ecological Protection**

The Company insists on practicing the concept of "green recycling and low-carbon development" throughout all links of highway maintenance, carries out road environmental improvement regularly, vigorously implements green maintenance, strengthens the use of clean energy, and delivers a satisfactory answer to the "required question" of ecological priority and green development.

## Environmental pollution prevention and control

We practically fulfill the ecological and environmental protection responsibilities of the maintenance projects, carry out in-depth pollution prevention and control of air, water, soil and solid hazardous waste, and effectively solve ecological and environmental problems through waste management, sewage treatment, noise control and air pollution control.

- sewage network; establish and improve the bridge deck water collection system, collect the bridge deck water into the sedimentation tank for filtering and discharge; maintain and replace 520 meters of the runoff collection system in such points as Taiping Lake, Qixing River and Qiupu River.
- and disposal system at sensitive points of bridges which can automatically start spraying liquid non-chlorine ecofriendly snowmelt agents, and minimize the pollution to water sources and soil.
- Explore the recycling and utilization of solid wastes, recycle used milling materials for pavement pothole maintenance, and waste guardrail columns as retaining wall anchor columns to improve the reuse rate of resources.
- Reduce the pollution risk of hazardous solid waste materials, and transport the solid wastes that cannot be recycled to a designated place for centralized storage and for non-hazardous, reductive and resource disposal.
- Actively work with local environmental protection departments to hand over household wastes to qualified professional companies to prevent secondary pollution.

- suppression devices are installed in the operation area of the forklift. Water mist washing, self-suction cleaning and other operation equipment are used in the maintenance and construction site to minimize the dust generated during production and construction.
- covering during transportation and affect the lives of residents along the route.
- Urge the construction unit to increase the frequency of water sprinkling on construction sites and walkways; strengthen the linkage with the traffic police and road administration, organize the traffic dispersion and diversion in time, maximally reduce the time of vehicles on the road and decrease vehicle emissions.

• Connect the sewage discharge pipelines of toll stations, service areas and maintenance areas to the municipal

Comprehensively promote the use of eco-friendly snowmelt agents to remove snow and ice, install the ice warning.



• Automatic washing devices are installed at the entrance and exit of the production plant, and dust spraying and

• Strictly implement the management of airtight covering transportation to reduce odor leakage caused by lax

Core Indicator	Unit	2022		
Hazardous wastes produced				
Used light tube	Piece	1,734		
Used printer	Piece	739		
Used battery	Piece	2,132		
Scraped ink cartridge	Piece	431		
Non-hazardous wastes produced				
Total non-hazardous wastes produced	Ton	3,898.98		
Household wastes	Ton	2,478.36		
Kitchen wastes	Ton	1,420.62		



Dust-free cleaning at the construction site



Installing sound barriers

## Road environment improvement

With the aim of improving the ecological environment of the road area as well as the normal long-acting management mechanism of the road area environment, the Company takes garbage cleaning, miscellaneous tree and weed clearing, guardrail cleaning actions, and enhances the greening and transformation of 22 interchanges at main entrances and exits of the expressways in Hefei and other cities, creating a batch of demonstration sections, improving a batch of interconnecting hubs, and beautifying the "important windows".

expressways.

#### Carry out road environment quality improvement work

Carry out initiatives to trim and replant plants, repair and improve transportation and security facilities, upgrade key interchanges, and improve the environmental quality of service areas to improve the road environment.

By the end of 2022, **39,900** shifts of workers and **17,000** shifts of sweeping trucks and greening and pruning equipment had been deployed to clear garbage on 2,538 kilometers of central strips and separation fences, prune **4,597** kilometers of the greening belts, clean 1,271 kilometers of guardrails, replace 7,473 pieces of anti-glare panels and guardrails and other traffic safety facilities, and treat 4,131 cubic meters of underbridge space.

#### Improve the management system

The Special Action Plan for Further Improving the Road Environment of Expressways and the Work Plan for the Normal Management of *Road Environment of Expressways* have been formulated to improve the management standards and supervision and assessment methods for road environment of expressways, and form a normal management mechanism for road environment of

#### Implement supervision and rectification

Comprehensively investigate the current road environment of expressways, form a list of problems, and specify rectification measures and rectification time limit.

Establish the whole section guarantee mechanism, carry out regular guarantee supervision; invite third party units, set up a professional supervision team to carry out whole-road and full-time inspection, and urge the implementation of rectification.



Carry out green renovation of toll station interchange projects to improve the ecological environment

The interchange of Shushan Expressway is located at the expressway exit toward the toll station in the direction of Baohe District, extensively covered by weeds and miscellaneous trees. In order to improve the level of green environment in this area, the Company implements greening transformation by retaining some well-growing plants, cleaning up the surrounding miscellaneous trees and increasing the cluster plants to optimize the curve and the sense of sequence. Low shrubs and lawns are designed aside in the vehicle merging area, and a

Interchange of Shushan Toll Station

Hardian State

AN SUMPORT



Environmental Remediation Activity at the Expressway Exit

#### **Biodiversity protection**

The Company attaches great importance to the pollution that may be caused to the surrounding ecological environment during the project production and operation period, and increases the use of new technologies and new processes to maximally reduce the impact on the ecological environment of vegetation along the route.

#### Optimize snow removal and ice melting technology to reduce the ecological impact along the route

Yueqian Expressway and Yuewu Expressway are typical mountain expressways characteristic of early winter snowfall and a long snow period. In the process of snow removal and ice melting, chlorine salt snowmelt agent is mainly used to melt the ice and snow. This material will cause the fall-off and tendon exposure of the concrete surface of the concrete guardrails along the bridge. The melted snow and ice will flow to the farmland, tea farms and water source reserves along the bridge, easily causing environmental pollution. Hence, we apply the new technologies of "spray system" and "self-snow melting colored anti-skid pavement", which eliminates the negative impact on the surrounding environment, greatly reduces the pollution to vegetation and water along the route, and effectively protects the surrounding ecological environment.





# Build a **Beautiful Life Together**

Always shouldering the mission of "pave the way for a better Anhui and speed up a happy life", the Company has provided wonderful travel services for the masses, constructed intelligent expressways together with partners, created a healthy and harmonious working environment for all employees, made continuous public welfare and charity efforts, and stepped forward on the path to "contribute to building a transportation power and grow into an industry

## Safe Travel Assurance

Putting people first, the Company has established the concept of "life first, safety foremost" to guarantee the safe travel of people.

## Improve safety management

The Company has established a sound production safety management system, formulated the Interim Measures for Wantong Production Safety Management, revised and issued six systems concerning production safety management, potential risk identification and management, safety education and training, safety responsibility target assessment, and roadrelated construction safety management, so as to effectively achieve production safety and ensure the orderly progress of business activities.

#### Safety management architecture

The Company has established and improved the production safety supervision and management body, established the Safety Committee, formulated the annual production safety and emergency management priorities, carried out the work safety assessment, and continuously strengthened the work safety management. In 2022, the Company carried out special supervision and inspection on production safety every quarter to ensure the implementation of production safety responsibilities.

4

Safety Committee meetings held -----

12 one road multi-party joint meetings held

## 4

specialized meetings of Spring Festival Travel Rush, floodseason, snow and fog weather, road clearance and work safety held

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# 11

specialized actions including Three-year Action to Improve Production Safety and Production Safety Inspection organized

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- The leaders of the Company serve as the director and deputy director of the Safety Committee, and the heads of functional departments and management units work as the members of the Safety Committee
- Responsible for the overall arrangement, supervision and inspection, guidance and coordination of the Company's work on work safety, research and decision-making on major issues of work safety
- The head of the Operations Service Department (Safety Management Department) of the Company works as the director of the Office
- Responsible for the daily work of the Safety Committee and ensuring that safety management is in place

• The primary responsible person for work safety works as the responsible person

• Establish and improve the work safety organization, and uniformly lead the work safety work of their respective unit



#### Safety standard system

The Company actively promotes the safety management standard system and double prevention mechanism development and other key work tasks by issuing the Promotion Plan for Safety Standardization System Development of Highway Operation, setting up a special leading group and organizing the construction training meeting. The Company has successfully completed the project acceptance review of 5 pilot units, including Suzhou Center and Gaojie Administrative Office, effectively and orderly promoting the development of safety standardization. Meanwhile, the Company strictly implements the prevention and control measures of 18 major risk points in ultra-long span bridges for waterway transportation and ultra-long tunnels for highway operation, effectively guaranteeing a safe production and business environment.

#### Safety education and training

To build a work safety culture, the Company has formulated the Interim Measures for Work Safety Education and Training, and regularly organized and carried out work safety training to constantly improves the safety awareness of all staff, and prevents work safety accidents.

- Compiled excerpts from General Secretary Xi Jinping's important remarks on work safety since 2013
- Organized the watching of a TV feature film titled "Life is of paramount importance"
- Carried out 6 training sessions on Safety Standardization System Development of Highway Operation, safety management, and accident warning.



Worked with the Expressway traffic police and road administration to launch the publicity activity themed with "Comply with the Work Safety Law and take responsibilities as the primary responsible person"

#### Ensure road safety

The Company is committed to creating a wonderful travel experience for the people, constructing the Beautiful Anhui Expressway Road Network Travel Service System, and ensuring safe and smooth expressway operation. In 2022, there were no major road traffic accidents or work safety accidents.

#### Potential safety hazard identification

The Company has continued to strengthen the identification and management of potential hazards, and formulated the Interim Measures for the Identification and Management of Potential Hazards of Work Safety Accidents to ensure the safety of people's lives and property. During major holidays, important activities and special periods such as Spring Festival Travel Rush and bad weather, the Company has made continuous and greater efforts to identify and manage the potential safety hazards in key sections such as bridges, tunnels, culverts, high slopes, and sections prone to water damage and landslides, continuously optimizing the road environment along the expressway.



Cleaned the Detector of Trucks with Small Tonnage Mark in the Snow



Worked with the local government, traffic police and road administration to launch the publicity activity themedwith "Work Safety Publicity and Consultation Day"

#### Road safety control

The Company has taken special rectification actions against areas such as illegal occupation of under-bridge spaces and highway land, strengthened safety supervision of road section reconstruction and expansion and road-related construction, and established a regular "one road three-party" cooperation mechanism to strengthen the control of major risk points and promote the continuous improvement of safety factor.

In order to further deepen the inter-departmental interaction and create a safe, unimpeded, harmonious and orderly traffic environment of the province's expressways, the Company has held the "One Road Three-party" seminar with the Traffic Police Corps of the Provincial Public Security Department and the Provincial General Transportation Law Enforcement and Supervision Bureau, and reached a number of consensus through a comprehensive study of weather emergency response, large traffic jam and other measures:

- Thoroughly identify and manage the potential risk hazards in accordance with the approach of "one solution for one potential hazard"
- Comprehensive share expressway electronic intelligence board data resources, improve safety publicity and the timeliness, pertinence, accuracy of the warning
- Improve the road section acceptance mechanism
- <u>کم</u> Gradually promote the establishment of the whole-range interval speed measurement, and effectively improve the expressway safety factor



The Company has taken a series of measures to effectively guarantee the smooth flow of cargo logistics of epidemic prevention supplies, livelihood supplies and production materials, and maintain the normal production and life order of the people.



Implemented the Five Guarantees of unimpeded traffic, epidemic prevention and control, service, rescue and safety to ensure unimpeded road traffic during the epidemic outbreak





Obstacle Clearing and Rescue Team



Employees Operating the Rescue Vehicle



Guaranteed a rescue call follow-up coverage rate of **100**%

**86** rescue service complaints

and normatively handled

#### • The company teams achieved good results at the obstacle clearing skill contest \_\_\_\_\_

In November 2022, the Company sent two teams composed of 8 rescuers to attend the Yangtze River Delta Obstacle Clearing Skill (Rescue Machinery Operator) Contest. Competing against 11 obstacle clearing teams, the two Company teams won the First Prize and Second Prize in the Team Category, effectively promoting the quality and efficiency improvement of "Beautiful Anhui Rescue", and comprehensively improving the ability and level of vehicle rescue service, in order to better serve the passengers and contribute to society.



Yangtze River Delta Obstacle Clearing Skill Contest

#### Unimpeded transportation of emergency supplies

The Company has established and improved the work safety emergency management system composed of the emergency plan system, organization system, operation mechanism, support system, and carried out integrated emergency drills such as flood season response, ice shoveling and snow removal in winter bad weather. The statistical tables of emergency support resources have been formed, and the revision, review and promulgation of one integrated plan and six special plans have been completed.

#### Conducted the integrated emergency drill for tunnel explosion traffic accident to improve emergency response capacity

On June 23, 2022, the Company conducted the integrated emergency drill for tunnel explosion traffic accident at K626+950M, Jiangjunling Tunnel, Anhui Section of G42 Hu-Rong Expressway, with the involvement of traffic police, integrated law enforcement, road administration, health, fire rescue departments and other stakeholders. By simulating the accident site and holding a drill evaluation meeting, problems and deficiencies were summarized, and corrective measures were formulated. The scientificity, practicality and operability of the Integrated Emergency Response Plan for Emergencies was effectively reviewed, and positive results were achieved.







Rescue Team Ready for Orders

Fire Rescue

#### Conducted the integrated emergency drill for unimpeded traffic in expressway reconstruction and expansion to improve emergency response capacity

On November 24, 2022, the Company worked with the Traffic Police Corps of the Provincial Public Security Department and the Provincial General Transportation Law Enforcement and Supervision Bureau to conduct the integrated emergency drill for unimpeded traffic in expressway reconstruction and expansion. A traffic blocking accident caused by the rear-end collision of two trucks at 56+300M of Anhui Section of G4211 Ningwu Expressway was simulated. During the drill, network video live streaming was adopted to prepare animation narration, which greatly improved the watching experience, and achieved the expected effects of testing the plan, training the team improving the mechanism and accumulating experience.

In view of the problems existing in the drill, the Company will continue to urge all parties to improve the smooth linkage mechanism, unfold regular discussions, strengthen the road network management and control, improve the efficiency of emergency response, and reduce the road occupancy time.



Trailer Rescue



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## Provision of satisfactory service

Through the promotion of the Road Network Travel Service System, the Company gathers together the innovative elements of toll collection, operation and service supporting each other, and provides more convenient and unimpeded travel services for the passengers.

#### Standardized service system In 2022, the Beautiful Anhui Expressway Road Network Travel Service System was implemented and results were shown, forming a service pattern of "one system, three supports, five carriers and 100 working methods". Three Business Supports (Job Guidance) Road Network Travel Expressway Unimpeded Cozy expressway Service System intelligent expressway service station (Escort System) travel service traffic service service Beautiful Anhui Beautiful Anhui Beautiful Anhui Beautiful Anhui Beautiful Anhui Intelligent Travel Maintenance Service Rescue Service Station **Five Service Carriers** \_\_\_\_\_ Road Network Travel Service System

#### Improved service level

The Company continues to promote the brand building of Smile Service. We have revised the Expressway Toll Collector Smile Service Specifications, Interim Measures for Expressway Toll Window Smile Service Assessment and other systems, carried out training, internal assessment and external service evaluation work, promoted the transformation and upgrading of smile service from "small window" to "big service", and further improved the quality and efficiency.



Smile Service



## Response to customer requirements

The Company builds a provincial unified travel information service platform to provide hotline service 24 hours a day, release expressway road condition information through multiple channels, and realize network-based supply and demand interconnection. To comprehensively protect customer privacy information, the Company has further established the complaint information acceptance and transmission mechanism, uniformly followed up the complaints, effectively protecting customer rights and interests and improving customer satisfaction.

#### - – - Completed the switching of Travel Information Service Platform and enhanced customer experience – – -

To realize "One Expressway Network and One Service Hotline", the Company integrated the service hotline 96566 and 96369 and Yikatong customer service system, and completed the switching of Anhui Expressway Public Travel Information Service Platform. Now the province's hotline answering, work order flow, road condition information submission are processed through one platform, ensuring the timely and orderly processing of work orders, and further improving the ability to serve the people conveniently.

#### Fair and reasonable toll collection

The Company has formulated the *Interim Measures for Toll Management* to ensure fair and reasonable toll collection, and made full use of technical means to achieve electromechanical and information-based management, creating a safer, more convenient and better travel environment.

#### Preferential toll policy

- Participate in the formulation of the phased truck toll reduction scheme in Anhui Province, and successfully complete the system switchover
- Reduce tolls for minibuses crossing the Anging Yangtze River Bridge
- Implement differentiated toll collection policy for expressways in Anhui Province

#### Enhance vehicle flow efficiency

- Launched the Maintenance Promotion Month specialized campaign for the networked toll collection system to ensure accurate billing of passing vehicles
- Compiled the "Digital Operation" Development Plan Proposal, and promoted the construction of an integrated management platform for expressway operation
- Built the integrated AI inspection platform and greatly improved the inspection efficiency by technology

#### Network security guarantee

- Held the network security training to enhance the network security protection capability of the networked toll collection system
- Successfully completed the cybersecurity work for the National Day and the 20th CPC National Congress

#### Provide convenience services

• Set up the convenience service desk to provide regular convenience services such as policy consultation, travel guide and car repair tools for the drivers and passengers



Organized the March 15 Toll Collection Policy Themed Publicity Activity



• specialized actions including Green Channeland Toll-free Vehicles organized

RMB **153** million of tolls exempted in the Green Channe

RMB **127** million of tolls exempted and reduced for minibuses on important holidays

Integrated AI Inspection Platform honored with the Second Prize at the 10th Highway Society Transportation Science and Technology Progress Award

15 upgrades of networked toll collection system deployed

42 self-help card issuing and self-help toll collection systems installed

About **760** sets of portable toll collection devices, handheld toll collection device and other mobile toll collection terminals upgraded and configured

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#### - Tandem type composite toll collection resolves the traffic congestion problem

Due to the traffic volume much higher than usual during the Spring Festival Travel Rush, the existing exit lanes are difficult to meet the demand of the traffic volume. Wuzhuang Toll Station has strengthened the response of special situations and the flow diversion through the square, and adopted the means of adding composite toll collection terminals and increasing handheld mobile toll collection terminals to realize toll collection of multiple vehicles in one lane at the same time, which helps to ensure the unimpeded traffic at the exit.





Composite Toll Collection at the Wuzhuang Toll Station

The promotion and application of handheld mobile toll collection terminals highly praised by the drivers and passengers

#### Innovative service modes

Attaching great importance to scientific and technological innovation, the Company has constantly improved the intelligent level of expressway network management, and driven the transformation to Intelligent Expressway with data.



#### Intelligent road network dispatching

- Two systems of video surveillance and weather warning covering the whole road established
- More than 9,000 real-time monitoring videos of road conditions integrated by the digital monitoring platform



#### ETC full service coverage

- About 8.7 million ETC users
- "ETC+" multifunctional application connected to the city-level platform parking lots, realizing the electronic service supply



#### Development of the Yangtze River Delta Intelligent Road System

- Conducted *the Research on Intelligent Expressway Application System based on Operations Big Data* with the Road Network Center of the Ministry of Transportation
- The Guidelines for Construction of Intelligent Expressways applied as a local standard

#### Anhui Province' s first intelligent toll collection expressway put into traffic, introducing four "pioneering" practices

In 2022, the Company accelerated the construction of "Z-shaped" intelligent highway in the Yangtze River Delta along the Heining Expressway. Wudu and Wuyang Intelligent Toll Stations of Huangqian Expressway were put into operation on December 30. As the first intelligent toll station of Anhui Province, Huangqian Expressway Intelligent Toll Station introduced four "pioneering" practices in its construction.

#### First practice of ramp ETC pre-transaction

realize network-based toll lane equipment

#### First practice of no-booth independent self-help card issuing/toll collection lane shorten the lane toll collection time by about 70% and enhance the overall vehicle flow efficiencyby about 40%





Wudu and Wuyang Intelligent Toll Stations in the Huangqian Expressway

# First practice of quasi-free flow toll collection

realize the quasi-free vehicle flow through the ramp pre-transaction door frame system

# First practice of cloud-based station attendance

actively push the warnings of abnormal transactions or special situations, and increase the voice and video intercom function to help the drivers quickly solve difficult problems



"No-island and no-booth" and ETC no-stop rail flow



## **Promote Cooperation for Common Progress**

The Company adheres to the principle of win-win cooperation, insists on responsible procurement and standardized operation, continuously strengthens supplier management, and establishes strategic partnerships with universities, striving to realize resource complementarity, common progress and win-win cooperation. To maintain the sound development of the industry, the Company respects and actively protects intellectual property rights, and formulates relevant systems to standardize IPR protection activities.

## Strengthen supplier management

The Company continues to improve the supplier management system, actively copes with supplier risks, and carries out supplier post-evaluation. A supplier assessment management and exit management mechanism has been established, and a stable and developing partnership has been forged with the suppliers to build a strong supply chain system.





The supplier supervision, rectification and elimination mechanism is formulated; the identification standards of supply evaluation defects, evaluation and rectification and rectification tracking work, exit conditions of various suppliers (such as poor scores in continuous evaluation, gualification noncompliance, business scope inconsistency with the Company's procurement scope, etc.) and processes are stipulated.

Core Indicator	Unit	2022
Total number of suppliers	Supplier	434
Number of suppliers in Anhui Province	Supplier	347
Number of suppliers in Mainland China (Anhui Province excluded)	Supplier	87

#### Promptly deal with supply risks to ensure the smooth completion of the project

In 2022, the asphalt for the asphalt pavement repair and maintenance project of the Maintenance Company was untimely, insufficiently supplied due to the price rise and other reasons. In response to the problem, the Company immediately wrote to the supplier Luanda, met the person in charge and the project leader for three times, fully explained the importance and necessity of fulfilling the contractual obligations. Then the supply of asphalt resumed. Eventually, the repair and maintenance project was completed, promptly preventing the possible economic losses caused by the project delay.

## **Optimize procurement management**

In strict accordance with the principles of openness, fairness, justice and honesty, the Company has formulated the Basic System of Tendering and Bidding Management and Management Measures of Non-Tendering Procurement to standardize procurement; proactive efforts have been made to identify procurement management risks, promptly carry out credit evaluation, and ensure the sound operation of procurement.

We sign the *Integrity Agreement* with procurement suppliers to effectively prevent and control the corruption risk; the Group's bidding and procurement platform is fully utilized to carry out the whole-process electronic bidding; maintenance business with large procurement volume is integrated, and related projects are consolidated for uniform public bidding, standardizing the whole process of tendering procurement and supplier bidding.



## Promote university-enterprise cooperation

The Company promotes university-enterprise cooperation, advances multi-business cooperation with the Institute of Advanced Technology, University of Science and Technology of China, and propelled the innovative development of in-depth integration of capital, talent, scene and other elements, in an attempt to create a win-win situation.

#### Entered into a strategic cooperation agreement with the Institute of Advanced Technology, University of Science and Technology of China to advance the intelligent upgrading of Anhui Expressways

In September 2022, the Company and the Institute of Advanced Technology, University of Science and Technology of China entered into a strategic cooperation agreement in Wantong High-tech Industry Park. The two parties will strengthen practical cooperation in intelligent expressway and industrial park operation, promote the deep link of industry, talent, technology and other elements, and strive to build Wantong Park into a nationally influential transportation industrial base, and vigorously implement and achieve results of the Road Network Service System through intelligent expressway construction



#### Jointly held the Intelligent Transportation Industry Development Forum

In September 2022, the Company and the Institute of Advanced Technology, University of Science and Technology of China (USTC) jointly held the Intelligent Transportation Industry Development Forum aiming to further enhance the in-depth exchange and cooperation between the two parties in intelligent expressway, science and technology incubation, and park operation. The forum focused on autonomous driving, vehicle-road collaboration and the construction plan of USTC Silicon Valley, which provided experience reference for the Company's intelligent expressway, the construction of transportation industry cluster, and the comprehensive implementation of Beautiful Anhui Intelligent Travel.



Organize credit rating

Credit rating of bidding and contract performance of maintenance and construction enterprises is organized; credit means is fully utilized to standardize the maintenance market behaviors.



Entered into a strategic cooperation agreement with the Institute of Advanced Technology, University of Science and Technology of China

**Development Forum** 

## **Empower Employee Growth**

Convinced that talent is the first resource, the Company continuously optimizes and improves the talent development system and mechanism, and inspires the vitality of talent innovation and creation, providing a strong guarantee for the realization of corporate sustainable development.

## Safeguard the basic rights and interests of employees

The Company has always been people-oriented, providing employees with satisfactory employment, salary and welfare protection, committed to creating a fair, harmonious and inclusive working environment for employees.

#### Equal employment

The Company strictly abides by the *Labor Law of the People's Republic of China* and other laws and regulations, distributes the Administrative Measures for Employee Recruitment and other systems, standardizes and strengthens the management of human resources, and effectively protects the legitimate rights and interests of employees. In 2022, 100% of the Company's employees signed the labor contract.

In the recruitment process and daily employee management, the Company bans any discrimination based on age, gender, origin and other aspects, resolutely prohibits the employment of child labor and forced labor, and respects the legal rights of employees. In 2022, the Company had a total of 1,972 employees, 52.64% of whom were male employees and 47.36% of whom were female employees.





#### Remuneration and benefits

The Company constantly improves the remuneration assessment mechanism, and has built a remuneration management system based on post value and performance contribution. *The Wantong Administrative Measures for Compensation of Managers* have been formulated to define the rules linking the annual pay of managers with the assessment results, giving full play to the role of incentives and constraints of remuneration. In strict accordance with the *Social Security Law of the People's Republic of China*, the Company strives to build a multi-level health security system. In addition to purchasing basic medical insurance for employees, the Company established a supplementary medical management system to provide both medical and health protection for employees in 2022, and invested RMB 760,000 to purchase Chinese mutual insurance for workers for all employees, further strengthening the life and health security line for employees. In 2022, 100% of employees was covered by social insurance.

#### **Diversified communication**

The Company has established a sound communication system, and listened to the voice and requirements of employees through the grassroots visit, understanding mailbox and other channels to promote the harmonious and stable labor relations. The Company adheres to democratic management in the basic form of workers' congress, and continues to give play to the employees' role of supervision. In 2022, 100% of the Company's employees attended the workers' congress and signed the collective contract.





## Build a guality talent team

By developing a sound talent training mechanism and carrying out a wealth of talent training programs, the Company aims to build a team of high-quality talents with excellent quality, excellent skills, reasonable echelons and prominent roles.

#### **Career development**

The Company continues to improve the employee career development channels, expand their career development space and promotion channels, provide employees with diversified career development opportunities, and fully stimulate the vitality of the employee team.



Career development channels

The Company has established smooth career flow channels to fully give employees the opportunity and space to progress. A career promotion management system centered on Administrative Measures for Executive Personnel, Administrative Measures for Professional and Technical Posts and Administrative Measures for Skilled Personnel has been put in place. The promotion conditions and selection criteria of employees have been specified to encourage healthy competition among employees in a fair, open, competitive and merit-based manner. In 2022, the Company actively explored the internal human resources market and realized internal transfer of 52 employees to ensure the smooth internal flow of talents.

#### Plan and advance the internship work in state-owned enterprises in Anhui Province in 2022 to expand channels for talent introduction

Focusing on the needs of college graduates and other young people, the Company has actively developed high-quality internship positions of various types, and urged the operation units to recruit interns. These efforts have not only provided learning and practice opportunities and a job training platform for young people, but also broadened the Company's talent introduction channels, promoted person-post matching, and improved the employment success rate.

#### Talent training

The Company has formulated the Administrative Measures for Employee Education and Training and the annual employee education and training plan to support the continuous and efficient learning and development of employees. By the end of 2022, the Company's employee training coverage rate had reached 87.98%, with each employee receiving 16.44 hours of training on average.



- Conducted the special research on outstanding young employees, completed the preliminary recommendation of 42 outstanding young employees in the department and operating units
- Held the S1 rotating training for toll station leaders of operating units for training on emergency response and handling, skill upgrading, toll station reform and development, and strengthened the building of backbone team in the new era

#### The first lecture after the New Year of Wantong Lecture Hall

In order to set the annual target of talent training and further improve the professional quality of employees, the Company gave the first lecture after the New Year of Wantong Lecture Hall on January 4, 2022. A special training on anti-corruption and capital operation was conducted, and the selection and use of employees who are good at planning, hard working, willing to take responsibility and able to deliver results is advocated, improving the responsibility-taking incentive and protection mechanism of employees.





- Carried out activities such as on-the-job training and skill competitions to train high-quality workers and technical talents in the transportation industry
- Participated in the 13<sup>th</sup> National Vocational Skills Competition of Transportation Industry; an employee of the Hean Center won the honorary title of National Transportation Technology Expert



## Care for the physical and mental health of employees

The Company has continuously launched the practice activities of "I do practical things for the people" to listen to the voice of employees, care for them from various angles, channels and forms, and constantly improve their sense of belonging and identity.

#### Enhance the health level

In strict accordance with the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, Administrative Measures for the Supervision of Occupational Health by the Employers, and other laws and regulations, the Company has continuously improved the occupational health and safety management system, and conducted occupational disease prevention and safety risk identification to provide a safe and healthy working environment for employees.





#### Care for female employees

The Company actively promotes equality, inclusiveness and gender diversity, and carries out a range of activities to care for female employees.



- 8 baby care rooms were rated Sunshine Home Baby Care Room, and RMB **95,000** were granted for maintenance and upgrading of **19** baby care rooms.
- The Company has purchased special disease insurance for female employees, arranged special gynecological examination for female employees every year and distributed female hygiene products.
- The Company organized the Most Beautiful series of activities, rated 15 Most Beautiful Employees, 5 Most
- Beautiful Mothers-in-law and Daughters-in-law and 5 Most Beautiful Families, and granted a reward of RMB 38,500

#### Support financially-stricken employees

The Company has carried out the warm winter and cool summer activities to help employees solve their problems.



#### Implementing welfare service projects and improve the long-acting mechanism of "doing practical things for the people'

The Company has focused on the practical difficulties and needs of the employees in production and life, and formed the long-acting mechanism of "doing practical things for the people". Through the addition of exercise venues and equipment, the renovation of employee apartments and other measures, the Company has effectively carried out livelihood programs benefiting employees, and improved employee satisfaction.

# **Gather the Force of Happiness**

Dedication of love is a concept of responsibility. While maintaining sound development, the Company has taken the initiative to participate in social public welfare activities, organize volunteering service and public welfare activities, help the vulnerable groups, and bring love and warmth to the society.

## Comprehensively advance rural revitalization

To help local community well-being construction and improve the living standards of residents, the Company has focused on the industry, talent, culture, ecology and organization to speed up efforts to serve local economic and social development and build momentum for improvement of people's livelihood.

## Supporting industrial development

The Company has actively purchased or helped with the sales of agricultural products, and continuously advanced "directed procurement" of units. Gaojie Administrative

Office purchased about RMB 83,600 of rice, rapeseed oil and other agricultural products from Lishu Village as part of directed procurement for its canteen.

#### Pay field visits

A series of support and visit activities and Educational Support themed activities were organized in Lishu Village, Liufan Township, Taihu County; color printers, sports equipment and books were donated to Liuhe

Primary School in Lishu Village.

## Improve infrastructure

In order to continuously improve the infrastructure and basic public service conditions in the villages, Gaojie Administrative Office took charge of the

maintenance of 27.032 kilometers of highways in Taihu County and made an actual road maintenance investment

of more than RMB **6.9** million in 2022.



Educational support themed activity on March 8 Women's Day



About 300 tea-oil tree saplings grown to promote rural revitalization



Field Visit and Survey themed with Visit to Stations in Spring Festival to Solve Difficult Problems



Lei Feng Volunteering Activity themed with Care for Children in Mountainous Area organized in Liuhe Primary School, Lishu Village

## Vigorously promote community development

While developing its own business, the Company has always been concerned with the community, and attaching importance to giving back to the society. Hence, the Company is actively involved in community voluntary service to support community development, and create a warm and harmonious community caring atmosphere.



#### Employment stabilizing

Continuous efforts have been made in Six-stability and Six-Guarantee work. The Provincial Employment Support Action themed with the Trade Union Offering Posts for Contented Employment in Jianghuai launched by the Provincial Federation of Trade Unions has been launched accordingly; 45 persons have reached the intention of employment and 29 persons have realized stable employment.



#### Spring Festival Travel Rush assurance

During the Spring Festival Travel Rush, snow shoveling and ice melting operations were carried out in a timely manner to minimize the adverse impact of snow on road traffic. A total of 20,100 people were dispatched, 8,485 shifts of snow removal were deployed, and 7,238.8 tons of snowmelt agents and other materials were scattered.



#### Epidemic fight

A strong epidemic prevention and control barrier has been built to prevent its recurrence. By distributing publicity materials, posting epidemic prevention and control slogans, and broadcasting at crossings, the Company has actively created an atmosphere for epidemic prevention and control, and established a sound pattern of mass prevention and treatment

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Worked with the local government to launch anti-fraud publicity activity



Organized the volunteering service activity themed with "Cherish life and guard against drowning"





Volunteers working in the Civilized Transportation Volunteering Activity

## Actively organize volunteering activities

The Company has regularly carried out volunteering service activities of Learning from Lei Feng, and continued to launch the Warm and Caring Journey volunteering service program, and cared for truck drivers and car owners of cross-district operations, contributing to the society and serving the community with love, promoting the development of public welfare undertakings and boosting social harmony. The Company has thus been awarded the titles of National Civilized Unit and Advanced Collective of National Transportation System in COVID-19 Epidemic Fight.

-- Warm and Caring Journey ------

The Warm and Caring Journey volunteering service program involved about 4,000 volunteers in 200 toll station exits to provide 10+N convenience services and create a cozy window, offer road rescue, road environment quality improvement, epidemic prevention and control services with a focus on the "unimpeded, safe, comfortable and beautiful" environment, pair with the masses along the expressway to launch poverty relief and support volunteering activities. During the Spring Festival Travel Rush, the Company cumulatively gave away facial masks and other supplies worth RMB 300,000 to the drivers and passengers, which was repeatedly reported by the People's Daily, Xinhua News Agency, CCTV and other mainstream media.



Conducted the Support to Physically Challenged Volunteering Activity themed with "Caring Actions to Physically Challenged" and visited Senior Yao in Shanhu Village



Toll collectors gave away gift packs to the truck drivers in need



Set up "Safe Spring Festival Travel Rush" volunteer service desk and offered hot water to the drivers and passengers



June 1 Care Activity in Yuexi County Special Education Center

Indicator	2022
Volunteer person-times (person-time)	3,131
Cumulative volunteering hours (hour)	15,663
Number of volunteers (volunteer)	1,302
Total public welfare investment (RMB)	44,900



# **Outlook for 2023**

In the new journey of high-quality development, the Company is committed to becoming the industrially leading and domestically top-ranking highway investment and operation service provider, making its contribution to the construction of a modern and beautiful Anhui Province.

#### In terms of governance, we will:

- · Integrate highway investment and construction, operation management and financial investment, actively adapt to the capital market, improve corporate governance, and achieve steady and standardized operation; • Accelerate the upgrading from the traditional operation mode to the innovation-driven mode, promote the
- output of operation management brand, and constantly expand the operational territory;
- Improve the long-acting mechanism of "doing practical things for the people", and build an ecological system of community integration and sharing.

#### Environmentally, we will:

- Introduce innovative maintenance management mode, promote the transformation to resource-saving and eco-friendly highway maintenance, and continue to create an "unimpeded, safe, comfortable and beautiful" highway traffic environment;
- Actively respond to climate change, focus on the goals of "Peak Carbon" and "Carbon Neutrality", and establish a green development pattern featuring energy conservation, emission reduction, ecological protection, natural harmony;
- Increase investment in environmental protection facilities along the highways, explore the combination of noise reduction technologies such as sound barrier + noise reduction pavement, and enable road environment improvement through technological innovation.

#### Socially, we will:

- Seize the opportunity of digital transformation, adhere to the customer demand-oriented concept, and strive to build the "Beautiful Anhui Expressway Road Network Travel Service System", and provide security for people's wonderful travel experience;
- Continue to deepen multi-business strategic cooperation with suppliers, domestic universities and research institutes, build a nationally influential transportation industry base, and promote innovative development with in-depth integration of capital, talent, scenario and other elements;
- reasonable echelons and prominent roles, regularly carry out the "livelihood project" to improve the living and working environment of employees, and constantly improve the employee happiness and satisfaction index.

• Insist on putting people first, build a team of high-quality talents with excellent quality, excellent skills,

# **Indicator Index**

Aspects, General Disclosure, KPIs	Description	Disclosure	Page	
Aspect A1: Emissions				
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a sign ificant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	~	P19	
KPI A1.1	The types of emissions and respective emissions data	$\checkmark$	P25	
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emission and intensity	$\checkmark$	P19	
KPI A1.3	Total hazardous waste produced and intensity	$\checkmark$	P25	
KPI A1.4	Total non-hazardous waste produced and intensity	$\checkmark$	P25	
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them	$\checkmark$	P18-19	
KPI 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	$\checkmark$	P24	
	Aspect A2: Use of Resources			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	$\checkmark$	P21	
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity	$\checkmark$	P22	
KPI A2.2	Water consumption in total and intensity	$\checkmark$	P22	
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	$\checkmark$	P21	
KPI 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	$\checkmark$	P17	
KPI A2.5	Total packaging material used for finished products (in tonnes), and if applicable, with reference to per unit produced	-	Note: this indicator is not applicable due to the nature of the Company's business.	
	Aspect A3: The Environment and Natural Resources			
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources	$\checkmark$	P17	
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	$\checkmark$	P17	

Aspects, General Disclosure, KPIs	Description	Disclosure	Page
	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	$\checkmark$	P18-20
KPI 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	$\checkmark$	P20
	Aspect B1: Employment		
General Disclosure	nformation on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	~	P47-48
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	$\checkmark$	P47
KPI B1.2	Employee turnover rate by gender, age group and geographical region	~	P47
	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	~	P31-34
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	$\checkmark$	P33
KPI B2.2	Lost days due to work injury	$\checkmark$	P33
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored	$\checkmark$	P51
	Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities		P49-50
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	~	P51
KPI B3.2	The average training hours completed per employee by gender and employee category	$\checkmark$	P51
	Aspect B4: Labour Standards	1	
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	~	P47
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	$\checkmark$	P47

Aspects, General Disclosure, KPIs	Description	Disclosure	Page
KPI B4.2	Description of steps taken to eliminate such practices when discovered	$\checkmark$	P47
	Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain	$\checkmark$	P45
KPI B5.1	Number of suppliers by geographical region	$\checkmark$	P45
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored	$\checkmark$	P45-46
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	~	P45-46
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	~	P46
	Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress	~	P39-40
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	-	Note: this indicator is not applicable due to the nature of the Company's business.
KPI B6.2	Number of products and service related complaints received and how they are dealt with	~	P40
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	~	P45
KPI B6.4	Description of quality assurance process and recall procedures	-	Note: this indicator is not applicable due to the nature of the Company's business.
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	~	P40
	Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	~	P14
KPI 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	~	P14
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	~	P14
KPI B7.3	Description of anti-corruption training provided to directors and staff	$\checkmark$	P14

Aspects, General Disclosure, KPIs	Description	Disclosure	Page
	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	~	P54-57
KPI B8.1	KPI B8.1Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)		P54
KPI B8.2	Resources contributed (e.g. money or time) to the focus area	$\checkmark$	P54、P57

#### [Notes]

(1) The statistical scope of environmental performance data covers the indicators generated or used by the roads owned by the Company;
(2) Scope I greenhouse gas emissions are direct emissions from petrol, diesel, liquefied petroleum gas, etc.;
(3) Scope II greenhouse gas emissions are indirect emissions from purchased power and steam. Due to the Company's vigorous promotion of gas conversion to electricity in 2022, electricity consumption has increased, which is the main reason for the increase of greenhouse gas emissions in Scope II;

(4) Energy consumption in total is the sum of gasoline, diesel, liquefied petroleum gas and purchased electricity consumption;
(5) The purchased electricity consists of the electricity consumed in the office and other daily operations of the Company; the electricity consumed in the operations is composed of the electricity consumed by other units such as the construction project office and the road administration brigade;

(6) For direct greenhouse gas emissions from gasoline, diesel oil and liquefied petroleum gas, refer to the (Tentative) Technical Guide for Accounting of Pollutant Removal and Collaborative Control of Greenhouse Gases in Pollution Treatment Facilities of Industrial Enterprises and the Hong Kong Stock Exchange Environmental Key Performance Indicators Reporting Guide;
(7) Indirect greenhouse gas emissions from purchased electricity are calculated in the Guidelines for the Compilation of Provincial Greenhouse Gas Inventories issued by the Department of Climate Change of the National Development and Reform Commission;
(8) The energy consumption in total is calculated in reference to the General Principles for the Calculation of Comprehensive Energy Consumption (GB/T2589-2008), and converted to standard coal;

(9) Hazardous wastes consist of lamp tubes, batteries, ink cartridges and other waste generated in the office and operations; (10) Non-hazardous wastes mainly refer to household waste and kitchen waste described in the office and operations.

# **About this Report**

#### **Preparation Basis**

This Report has been prepared in accordance with the Guidelines on Environmental Information Disclosure of Companies Listed on the Shanghai Stock Exchange issued by the Shanghai Stock Exchange and the Guidelines on Environmental, Social and Governance Reporting in Appendix 27 to the Rules Covering the Listing of Securities on the Stock Exchange of Hong Kong Limited (" SEHK ").

#### **Report Scope**

This Report is an annual report, which fully discloses information on the implementation of Environmental, Social and Governance (ESG) responsibilities of Anhui Expressway Company Limited during the period from January 1 to December 31, 2022 and relevant information.

#### **Appellation Description**

For the convenience of expression and reading, "Wantong Expressway", "the Company" and "We" in this Report refer to Anhui Expressway Company Limited.

#### **Reliability Assurance**

All information and data in this Report come from official documents, statistical reports or public data of the internal system of Anhui Expressway Company Limited Following the reporting principles of significance, quantification, balance and consistency of report preparation, the Company undertakes that there is no false record or misleading statement in this Report and it is responsible for the authenticity, accuracy and completeness of the contents of this Report.

#### Access to this Report

This Report is available as a PDF electronic document to stakeholders and the general public. The electronic version can be downloaded and read at the official website of Anhui Expressway Company Limited, the website of the Stock Exchange of Hong Kong Limited, and the website of the Shanghai Stock Exchange.

#### **Contact Information**

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# **Feedback Form**

Dear Readers,

Thank you for reading this Report. We will appreciate your suggestions and comments to help us keep improving our social responsibility work, and enhancing the ability and level of fulfilling social responsibility work.

Thanks!

## Choice questions: (Please check in the corresponding box.)

1.What's your overall impression on this Report?	
2.What do you think of the quality of ESG information disclosed in this Report?	
3.What do you think of the structure of this Report?	
4.What do you think of the layout design and expression form of this Report?	

#### **Open-ended questions:**

Your valuable comments and suggestions for the 2022 Environmental, Social and Governance Report of Anhui Expressway Company Limited are welcome.

You may contact the compilation group of the 2022 Environmental, Social and Governance Report of Anhui Expressway Company Limited Your comments and suggestions will be carefully reviewed and properly protected.

Anhui Expressway Company Limited April 2023

Fine	Good	Neutral	Poor	Very poor



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