

股票代码HK03399



广东交通集团



粤运交通

Yueyun Transportation



ESG Report 2022

of Guangdong Yueyun
Transportation
Company Limited



About the Report

Scope of report

This Report is the seventh Environmental, Social and Governance (ESG) Report issued by Guangdong Yueyun Transportation Company Limited. The information and data in the Report mainly cover the Company's ESG practices during the period from January 1, 2022 to December 31, 2022, while some contents shall be traced back to previous years or extended to coming years as appropriate so as to enhance the comparability and completeness herein. This Report covers information and key performance in sustainable development of the Company and its holding subsidiaries.

Content selection

While deciding what to disclose in this Report, the Company follows the principles of materiality, quantification, balance and consistency mentioned in ESG guidelines and makes statements from the three aspects of governance, environment and society, with emphasis on the disclosure of corporate governance, environmental responsibility, employee responsibility, operational responsibility, community responsibility and other aspects of responsibility.

Release of report

This Report is publicized annually in both printed and electronic versions, the latter is available on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk. This Report is prepared in simplified Chinese and English. In case of any ambiguity, the Chinese version shall prevail.

Principles for preparation

This Report was compiled according to the *Guidelines to the State-owned Enterprises Directly under the Central Government on Fulfilling Corporate Social Responsibilities* issued by State-owned Assets Supervision and Administration Commission of the State Council, the *Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises* issued by the Chinese Academy of Social Sciences, as well as *Appendix 27: Environmental, Social and Governance Reporting Guide* ("ESG Guide") to the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*, with reference to the *Sustainability Reporting Guidelines (GRI Standards)* issued by the *Global Reporting Initiative*.

Reference and Interpretation

For the convenience of expression and reading, Guangdong Yueyun Transportation Company Limited is also referred to as "Yueyun Transportation", "the Company/it" or "we/our/us" in this Report. The copyright of this Report belongs to Guangdong Yueyun Transportation Company Limited.

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Statement of the Board of Directors

The Board of Directors of Yueyun Transportation makes a commitment that the Company strictly observes the disclosure requirements in The Stock Exchange of Hong Kong Limited's *Environmental, Social and Governance Reporting Guide*. The Company publishes ESG reports, and supervises the commitments and performance of its key ESG issues on a regular basis. The Board of Directors reviewed the targets and plans of the Company's core ESG indicators, and defined the Company's targets for the years 2023 and 2026 as for energy conservation, consumption reduction, waste disposal, water resource use intensity, carbon emission intensity and other aspects. Meanwhile, it accelerated the optimization of the Company's ESG management systems, procedures and responsibilities and kept improving the Company's ESG governance level, by preparing annual ESG management plan and confirming responsible departments and time nodes.

About Us

Company profile

Guangdong Yueyun Transportation Company Limited (abbreviated as "Yueyun Transportation") and its affiliated companies (collectively, "the Group") are integrated transportation service providers. Established in 1999, Yueyun Transportation was listed on the main board of The Stock Exchange of Hong Kong Limited in 2005 (stock code: 03399). At present, the Company has a total capital stock of 799,847,800 shares, about 74.12% of which are owned by its controlling shareholder - Guangdong Provincial Communications Group Co., Ltd., and about 25.88% of which are held by H-share shareholders.



Company architecture



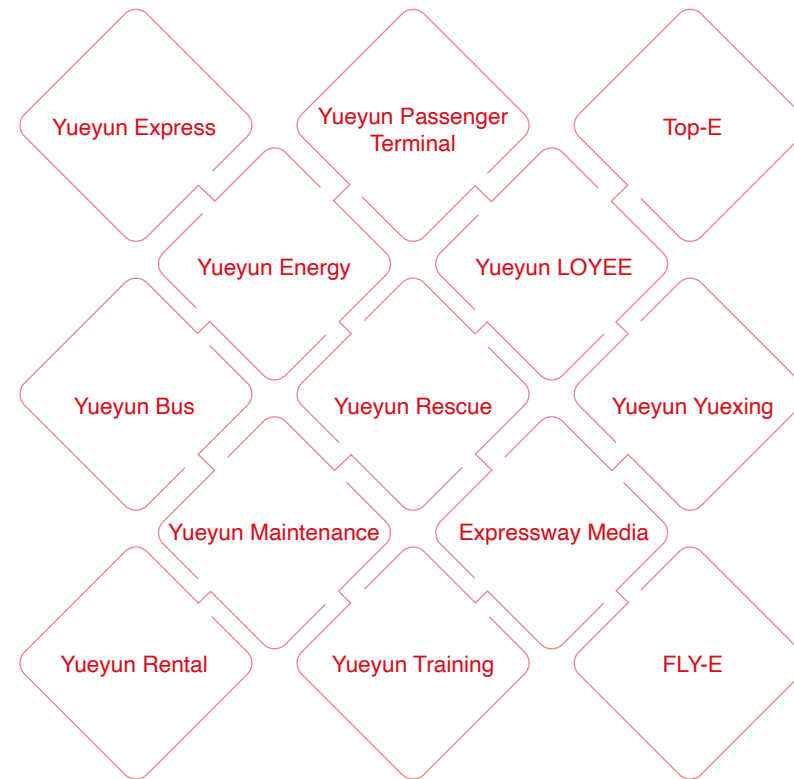
Note: Please refer to the following for abbreviations of some of the subsidiaries involved in this Report

- Guangdong Top-E Expressway Service Zone Co., Ltd., referred to as "Top-E Company"
- Shaoguan Yueyun Vehicles Transportation Co., Ltd., referred to as "Shaoguan Yueyun Company"
- Chaozhou Yueyun Motor Transportation Co., Ltd., referred to as "Chaozhou Yueyun Company"
- Foshan Yueyun Public Transportation Co., Ltd., referred to as "Foshan Yueyun Company"
- Guangdong Yueyun Traffic Rescue Co., Ltd., referred to as "Yueyun Rescue Company"
- Guangdong Traffic Engineering Co., Ltd., referred to as "Guangdong Traffic Engineering Company"
- Guangdong Yueyun Development Co., Ltd., referred to as "Yueyun Development Company"
- Guangdong Highway Media Co., Ltd., referred to as "Highway Media Company"

Business segments

Nowadays, the Group is mainly engaged in travel services, which consist of expressway service zones operation (including energy business, retail business, merchant solicitation business and advertising), road passenger transportation and auxiliary services, and operation of Taiping Interchange.

Company brands



Company strategy

With the core business of road transportation and in-transit service, the Company is transportation-oriented and dedicated to build a professional, diversified and convenient platform of integrated travel services. Focusing on the flow of people and goods, it manages transportation network resources to a great extent and strives to become a global group of integrated transport services.

Corporate culture

Mission

serve the society and facilitate travel

Core values

integrity, responsibility, openness, sharing and ambition

Vision

to become a respected global provider of integrated transport services

Spirit

adopt a pragmatic approach and pursue perseverance, uphold integrity and break new grounds

Development concept

agglomerate mental efforts and make innovations with open minds

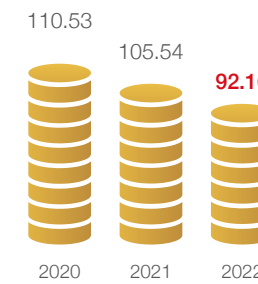
Brand concept

to become a model in the industry and preferred choice of customers

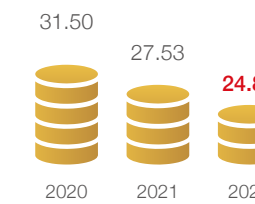
Figures of 2022

Operating performance

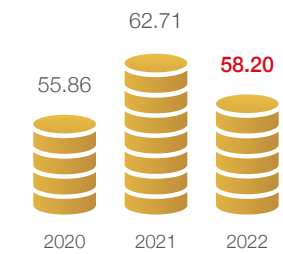
Total assets (100 million yuan)



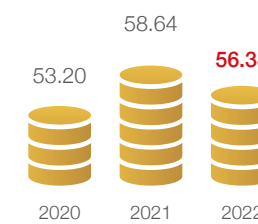
Net assets (100 million yuan)



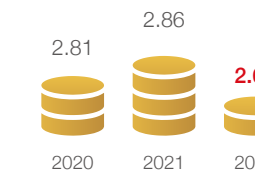
operating income (100 million yuan)



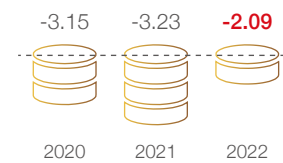
operating cost (100 million yuan)



Total taxes (100 million yuan)



Net profit (100 million yuan)



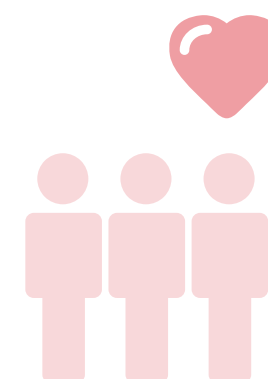
Environmental performance

The Company consumed a total of **4,498,384.28** tons of water for production and domestic use

The Company emitted greenhouse gas of **210,219.34** tons

The Company had **100%** disposal rate of hazardous waste.

The Company had **100%** disposal rate of harmless waste



The Company's anti-corruption training for directors lasted **7.5** days in total

The Company's anti-corruption training for employees covered **90** persons

The Company **100%** responded to customer complaints

The Company had purchased social security for all its employees (**100%** coverage rate)

The Company had **1,357** suppliers in Guangdong Province

The Company's safety training covered **223,816** persons

The Company **100%** signed labor contracts with its employees.

The Company donated RMB **212,500** to charity organizations

The Company invested RMB **133,000** in rural revitalization

Social performance

Awards Received in 2022

Yueyun Transportation was named **“Special Road Passenger Transport Enterprise in National Road Transport”**

The Drivers' House in Jinzao and Bozhi Service Areas of Top-E Company was named **National 5A-Class Drivers' House**

The brand of “Yueyun Energy” was included in **“Fifth List of Famous Energy Brands in Highway Service Areas by China Highway and Transportation Society”**

Loyee brand was ranked the **50th in the list of “TOP 100 Guangdong Chain-Stores 2021”**

Yiliu Service Area of Top-E Company won the title of **“2022 Civilized Team of Female Employees” of Guangdong Province**

Yueyun Rescue Company and Qingyuan Yueyun Vehicles Transportation Co., Ltd. won the **“Excellence Award in the Second Guangdong Provincial Collection of Excellent Publicity Works on Emergency Management”**

Top-E Company was awarded the **“2022 Annual Enterprises Devoting to Public Welfare and Boosting Rural Revitalization”, “2020-2022 Guangdong Commercial Enterprise Helping Combating the Covid-19 Pandemic”**

Yueyun Transportation was awarded **“Key Enterprise of Road Transport (2022-2026) by the Ministry of Transport of the People's Republic of China”**

The cloud service platform of Yueyun Rescue Company, designed for video-monitoring relief and based on 5G+AI technology, won **the third prize in 2022 Excellent Project Cases of Intelligent Transportation in Guangdong Province**

Loyee convenience stores were titled **“Well-Known Convenience Store” in the selection of Chinese highway brands**

Yiliu Service Area of Top-E Company won the title of **“2021 Guangdong Provincial Advanced Team of Female Employees”**

Yiliu Service Area of Top-E Company was awarded **“Base of Entrepreneurship, Employment and Internship for Female College Students”**

The Communist Youth League Branch of Chaozhou Yueyun Motor Transportation Co., Ltd. was awarded the **“Guangdong Provincial ‘May Fourth’ Red-Flag CYL Branch 2021-2022”**



and Laying a Solid Foundation for High-Quality Development

Practicing Strict Governance

Yueyun Transportation constantly improved corporate governance and kept optimizing corporate management while maintaining steady operation, by strictly following laws and regulations such as the *Company Law of the People's Republic of China* as well as the requirements in the normative documents for listed companies.

Corporate governance

ESG management

Anti-corruption

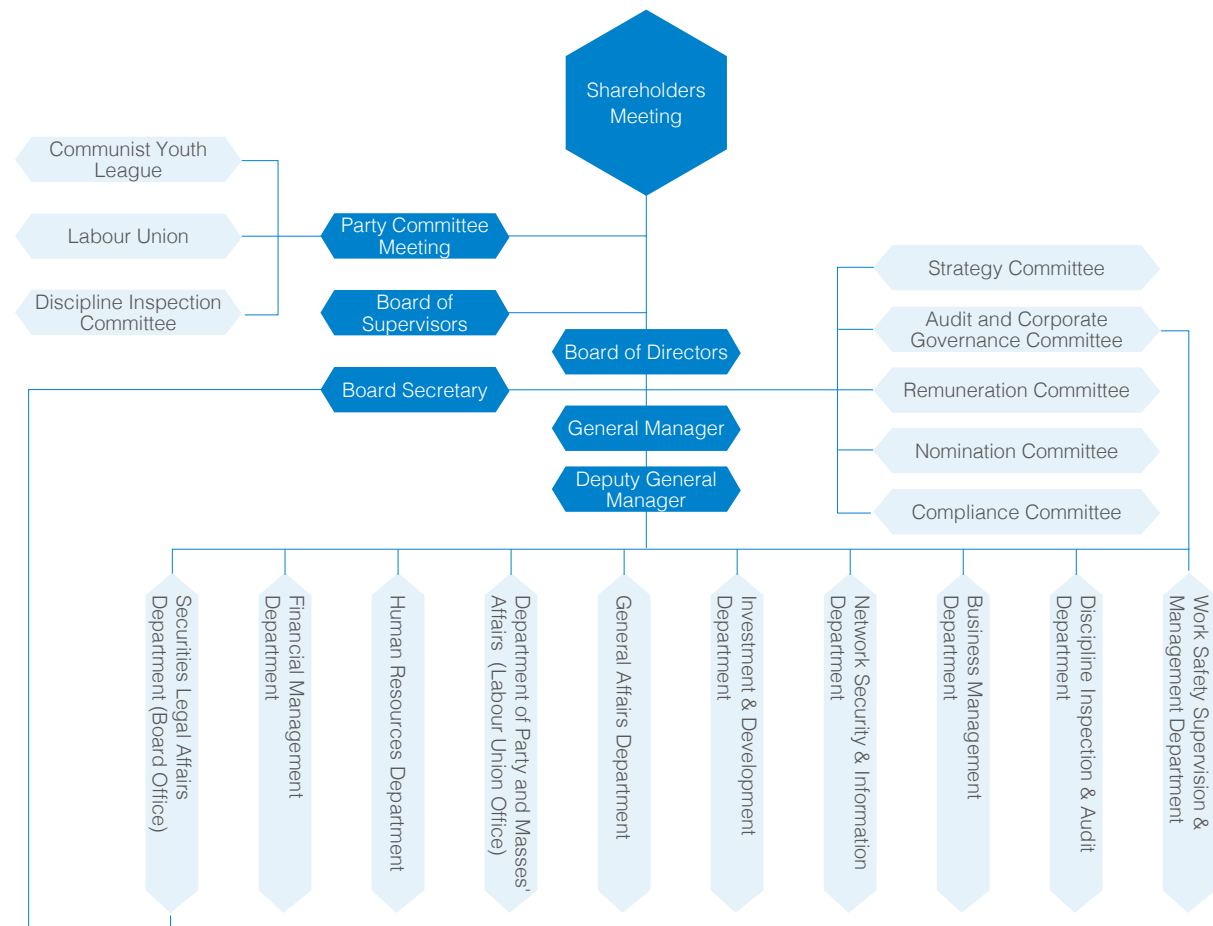
Management on intellectual property

Corporate governance

The Company established a science-based and well-organized governance system and a well-defined governance framework, which covered all aspects of its operation and management, so as to effectively guarantee its sustainable and stable development.

Governance framework

The Board of Directors, as the decision-making body of the Company, is responsible to Shareholders' Meeting. The Board of Supervisors, as the supervisory body of the Company, supervises the legality and compliance in the execution of duties by directors and senior managers of the Company with a responsible attitude to shareholders. As the Company's executive body, the Management organizes daily production and operation activities, implements resolutions of the Board of Directors and performs the right to make decisions on matters authorized by the Board of Directors. Additionally, it reports the production and operation status to the Board of Directors and gives feedback on the implementation of resolutions on a regular basis.



Standardized management

Being oriented in standardized management at all times, the Company operated its business in a practical and orderly manner, and maintained prudent operation in many aspects such as corporate management, risk control and governance efficiency.



Improving the modern system and standardizing corporate management

- The Company integrated the leadership of the Party throughout the process of corporate governance, established and improved the System of the First Topic, the System of Holding Meetings of Party Branch Members, Meetings of Party Branch Committee Members, Meetings of Party Groups and Attending Party Classes and other systems, thus to enable the Party organization of the Company to "control the direction, manage the overall situation and promote implementation".
- The Company standardized the structure of its Board of Directors, urged its managers to exercise rights and perform duties in a standard manner. Besides, it set up and implemented all levels of stipulations under the Articles of Association, and gave full play to the active management by managers.
- It improved management to emulate world first-class peers, synchronously improved systems including the general legal consulting system, compliance system and internal audit system, and reinforced the construction of a modern enterprise system with Chinese characteristics.
- It optimized the general legal consulting system, fostered the compliance management system, improved the internal audit mechanism and established a reporting mechanism for major risk events.
- It worked out the *Administrative Measures for Risk Management and Internal Control* as well as other internal rules and regulations on risk prevention and control, established and improved its management system of internal control, and built up a risk management mechanism.

Taking targeted measures to control risks

- It actively communicated with banks and other financial institutions at all levels, in hopes of preventing any forced early repayment of loans or arbitrary termination of loan agreements by financial institutions, elevating the credit line and avoiding debt risk.
- It expanded efforts to assess the risks in major investment projects and major business decisions, restricted those directly-affiliated enterprises of the Company from making decisions in investment, tightened controls throughout all investment projects and guarded against investment risks.
- It carried out legal affairs management and compliance regulation during the whole procedures of decision-making, execution and supervision, and managed the contracts and legal affairs in a more standardized way to avoid compliance risk.
- With consideration of actual conditions, it defined the procedures, decision-making authorities and purchase modes of all kinds of procurement, and performed special inspections, thus to strengthen its procurement management and control procurement risks.

Inspecting special rectification and improving governance efficiency

- It strictly followed the "1+5+N" work mechanism of inspection for rectification proposed by the State-Owned Assets Supervision and Administration Commission of Guangdong Province, took primary responsibilities in inspection for rectification, and spared no efforts in rectification with a rectification completion rate of 100%.
- Taking into account the three-year SOE reform and its own transformation, the Company implemented the rectification in great detail and established a long-term mechanism. Totally 26 relevant systems were added or revised.

ESG management

The Company advocated responsible management, kept optimizing ESG control requirements with the concept of sustainable development, and fulfilled its environmental, social and governance responsibilities by satisfying the expectations of stakeholders in addition to safeguarding their legitimate rights and interests.

ESG governance architecture

The Company established a hierarchical ESG organization architecture and clarified the ESG management responsibilities at all levels, so as to enhance the management efficiency and performance of ESG-related affairs from top to bottom and to effectively fulfill its duties.



Identification of substantive issues

The Company sorted out the key issues relating to its economic, environmental and social influences and influences from appraisals and decisions of stakeholders, taking into consideration its understanding of expectations of internal and external stakeholders, its operation status as well as standards in the industrial and global sustainable development.



Prospects for target management

Taking into account its own operational status and the latest ESG guide of The Stock Exchange of Hong Kong Limited, the Company ascertained anticipated indicators for environmental aspects such as pollution prevention and control, energy conservation and emission reduction respectively in 2023 and 2026 according to the *Opinion of the CPC Central Committee and the State Council on Fully, Accurately and Comprehensively Implementing the New Development Concept to Achieve Carbon Peaking and Carbon Neutrality, the Action Plan for Carbon Dioxide Peaking Before 2030* and other relevant policies. The ESG Leading Team of the Company regularly reviewed and supervised the progress in indicator management, and reported to the Board of Directors.

Indicators	Prospects for target management (for year 2023, using those in 2021 as benchmarks)	Prospects for target management (for year 2026, using those in 2021 as benchmarks)
Resource saving	Use intensity of comprehensive energy A decrease of 6%-10% (reducing to 0.146-0.153 tons of standard coal per 10,000 yuan revenue)	A decrease of 20% (reducing to 0.130 tons of standard coal per 10,000 yuan revenue)
	Use intensity of water resource A decrease of 5%-10% (reducing to 7.4-7.82 tons per 10,000 yuan revenue)	A decrease of 15% (reducing to 7.00 tons per 10,000 yuan revenue)
Exhaust emission	Exhaust emission intensity A decrease of 2%-5% (reducing to 0.0005748-0.0005929 tons per 10,000 yuan revenue)	A decrease of 8% (reducing to 0.0005566 tons per 10,000 yuan revenue)
	Carbon emission intensity A decrease of 3%-8% (reducing to 0.3827-0.4035 tons per 10,000 yuan revenue)	A decrease of 10% (reducing to 0.3744 tons per 10,000 yuan revenue)
Disposal of solid waste	Disposal rate of hazardous waste 100%	100%
	Disposal rate of harmless waste 100%	100%

Communications with stakeholders and their involvement

The Company attached great importance to its communication with stakeholders. In order to achieve sustainable development with all stakeholders, where values are created together and benefits are shared between the Company and all stakeholders, the Company established diversified communication channels and feedback mechanisms in reference to the characteristics of all stakeholders, and responded more to the claims and expectations of stakeholders.

Key stakeholders	Expectations and requirements	Ways and channels of communication	Responses and practices
 The government and regulatory authorities	<ul style="list-style-type: none"> • Laws and regulations • National policies 	<ul style="list-style-type: none"> • Information reporting • Daily communication • Meetings of senior managers 	<ul style="list-style-type: none"> • Strictly follow laws and regulations • Actively respond to national policies • Pay taxes according to laws and operate in compliance with relevant regulations
 Shareholders	<ul style="list-style-type: none"> • Steady operation • Market value • Information disclosure 	<ul style="list-style-type: none"> • Shareholders' meetings • Company announcements and periodic reports • Investor relations meetings and road shows 	<ul style="list-style-type: none"> • Enhance corporate governance level • Disclose information in a compliant way • Raise its profitability
 Employees	<ul style="list-style-type: none"> • Remuneration and benefit • Safety and health • Career prospect • Education and training 	<ul style="list-style-type: none"> • Employee representatives • Communication with employees • Labor contracts • Care for daily life 	<ul style="list-style-type: none"> • Improve the remuneration and performance system • Improve employee insurance system • Enrich the contents of employee trainings • Provide long-term career opportunities
 Customers	<ul style="list-style-type: none"> • Safety and quality • Rights and interests of customers • Premium services 	<ul style="list-style-type: none"> • Signature of contracts • Customer service • Service assurance 	<ul style="list-style-type: none"> • Provide diversified and premium services • Ensure service security and stability • Protect the privacy of customers
 Partners	<ul style="list-style-type: none"> • Equality and fairness • Honesty and faithfulness 	<ul style="list-style-type: none"> • Cooperation in development • Industrial communication 	<ul style="list-style-type: none"> • Call for bids in an open, fair and impartial way • Strictly abide by contracts and agreements
 Environment	<ul style="list-style-type: none"> • Ecological environment • Use of resources 	<ul style="list-style-type: none"> • Information disclosure • Environmental protection measures 	<ul style="list-style-type: none"> • Promote the efficient use of resources • Conserve energy, reduce emissions, and pursue green operation
 The public	<ul style="list-style-type: none"> • Community development • Public welfare and charity 	<ul style="list-style-type: none"> • Community building • Publicity activities 	<ul style="list-style-type: none"> • Participate in building a harmonious community • Drive local economic development • Conduct public welfare and charity activities

Anti-corruption

The Company made every effort to build a clean and honest administration, established and improved the anti-corruption system, and fostered a culture of clean governance, thus to create an atmosphere where employees "dare not corrupt, cannot corrupt, do not want to corrupt" with dignity and honesty.

In 2022, the Company

conducted an anti-corruption training for **5** directors

with a total duration of **7.5** days

and anti-corruption trainings for **90** employees

with a total duration of **162** hours.

It also concluded the investigation of **0** corruption lawsuits

Reinforcing the anti-corruption bottom line

- The Company strictly followed the *Appraisal Methods for the Accountability System for Improving Party Conduct, Upholding Integrity and Combating Corruption, the Implementation Scheme of Yueyun Transportation for Optimizing the Supervision System (Trial Implementation)* and other systems.
- The Company urged responsible divisions to revise the finance and procurement systems, tackle areas of weaknesses, and increase the strictness of systems.

Promoting the construction of a clean and honest administration

- The Company arranged annual tasks in improving Party conduct, upholding integrity and combating corruption, printed and distributed key points for discipline inspection and Party conduct, and urged the Party committee to fulfill its primary responsibility for enforcing strict Party discipline.
- The Company implemented the fundamental tasks in the Accountability System for Improving Party Conduct, Upholding Integrity and Combating Corruption, and signed the *Responsibility Statement for Improving Party Conduct, Upholding Integrity and Combating Corruption* at each level, thus to create a hierarchical responsibility mechanism and a working pattern of joint management.
- To prevent and control honesty risks on a long-term and effective basis, it strengthened the mechanism for punishing and preventing corruption, effectively distinguished the risks of honesty that had existed or may be caused at all posts of the Company and those of its subordinating companies.

Conducting supervision for a clean and honest administration

- The Company took measures to collect clues, such as establishing reporting mailboxes and announcing reporting telephone numbers, responded to complaint reporting seriously and promptly, and judged the collected clues.
- It carried out inspection according to the scheme, and issued letters of recommendation on discipline inspection to relevant entities pursuant to the inspection report, thus to ensure rectification of the identified problems.
- A case would be filed by the Company if in case of any violation of laws or disciplines and the conditions for filing a case met.

Deepening the education for honesty and integrity

- In order to raise awareness of integrity and self-discipline, the Company arranged its staff to review the *Regulation on Disciplinary Actions of the Communist Party of China, the Regulation on Accountability of the Communist Party of China, the Regulation on Intraparty Supervision of the Communist Party of China, the Code of Conduct on Moral Integrity and Self-Discipline of the Communist Party of China* and other legal documents.
- To ensure constant education and publicity, the Company held talks about honesty and integrity as well as a monthly event themed as discipline education and learning.

Management on intellectual property

To accelerate the high-quality development of innovation, the Company established an efficient and integrated management mechanism on intellectual property. It conducted 1 self-inspection on software assets and 2 annual self-inspections on software legalization. It also arranged 1 training session on software legalization for all affiliated companies in the Group. The Company investigated the unauthorized use of foreign software, managed the demands of all divisions on office software and procured legitimate software. Moreover, it raised awareness of copyright protection. In order to prevent copyright risks, a strict inspection would be performed on font authorization and picture sources involved therein, before the release of tweets on WeChat public accounts and any publicized information via Highway Media Company and other media. The Company has examined and promptly deleted tweets containing fonts and pictures that had been at risk of infringement since 2019, for the purpose of protecting intellectual property from infringement.



and Keeping to the Path of Green Ecology

Protecting the Environment

Yueyun Transportation implemented the requirements of green development throughout the whole process of project planning, design, construction, operation, management, and service by actively responding to climate change, establishing and improving the environmental management system, promoting energy conservation, carbon reduction, ecological protection, and pollution prevention & control in an orderly manner, and contributing to the attainment of the “dual carbon” goals.

- Environment management
- Utilization of resources
- Pollution prevention and control
- Ecological protection

Environment management

The Company strictly adhered to laws and regulations such as the *Environmental Protection Law of the People's Republic of China* and the *Law of the People's Republic of China on Air Pollution Prevention and Control*, improved its environmental management system, and continuously strengthened its fundamental work on energy conservation and environmental protection, so as to enhance its level of environmental management, and consolidate the foundation for green development.

To strengthen its environmental emergency management, Yueyun Transportation printed and distributed the Measures for *Emergency Management of Sudden Incidents of Guangdong Yueyun Transportation Company Limited*, and established the an emergency command center for ecological environment pollution. It also developed special emergency plans for ecological environment pollution incidents and timely responded to environmental pollution incidents caused by the Company's passenger stations, service areas, gas stations, vehicle repair plants, and operation of highways, aiming to improve its environmental emergency management capability and level.

Utilization of resources

Adhering to the guiding principle that development should run in synchrony with energy conservation and that equal attention should be attached to development and conservation, the Company focused on promoting and utilizing new energy-saving technologies, devices, processes, materials, and energy sources, with the goal of promoting energy conservation and emission reduction, improving energy efficiency, reducing carbon dioxide emissions, and controlling the total energy consumption in a reasonable manner.

Strengthening energy management

The Company focused on strengthening the energy management of commercial vehicles, and promoted energy conservation and emissions reduction throughout the entire process from purchase, usage, maintenance, operation, monitoring, and scrapping of vehicles. It developed energy consumption quota assessment, eliminated vehicles with high energy consumption and high emission pollution in a timely manner, and actively applied new energy vehicles. It also developed nineteen measures in terms of vehicle selection and configuration, fuel (energy) control and management, vehicle maintenance (repair) management, vehicle parts management, tire management, training and education, and strengthened their application.

Reducing energy consumption

Zhaoqing Yueyun Company constantly summarized the experience in using electric vehicles, selected the power distribution of vehicles in a science-based way, and reduced the procurement cost of vehicles. It also adopted measures such as charging by shifting peak, controlling the electricity charged during peak hours of the day, and making full use of low hours at night to reduce energy consumption.

2022 energy consumption statistics of Yueyun Transportation:

Energy category	Type	Consumption	Unit
Direct Energy	Diesel	27,825,952.30	L
	Petrol	1,691,175.30	L
	LNG (Liquefied Natural Gas)	383,247.92	kg
Indirect Energy	Consumption by electric vehicles	152,907,405.40	kWh
	Charged using own charging piles	94,129,476.37	kWh

Pollution prevention and control

Adhering to the concept of "green circulation and low-carbon development", the Company carried out in-depth prevention and control of hazardous waste pollution in atmosphere, water, soil and solid wastes, and effectively solved ecological environment problems through waste management, sewage treatment, noise control and air pollution control.

Waste management

The Company handled worn-out vehicles and materials in strict accordance with the *Management Measures for the Disposal of Worn-out Commercial Vehicles* and the *Management Measures for the Disposal of Worn-out Vehicle Materials* by handing worn-out vehicles over to qualified vehicle recycling enterprises, and waste materials to purchasers who met the corresponding recycling qualification management requirements of competent government authorities. Meanwhile, the Company also repaired old parts to reduce the waste of spare parts.

In 2022, the Company disposed of 100% wastes in a harmless way. To be specific, it eliminated (disposed of) 1,062 vehicles, 13,558 worn-out tires and 50,435 waste materials and spare parts. It treated 100% hazardous wastes, 85,670 liters of spent lubricating oil and 2,015 waste batteries.

Wastewater treatment

The Company installed wastewater treatment equipment and reclaimed water reuse facilities in service areas, and tested the wastewater treatment effect on a regular basis. It equipped service areas with wastewater pipelines, which were connected to the municipal sewage treatment plant for treatment to ensure up-to-standard discharge of wastewater. In 2022, the Company discharged 3,997,693.59 tons of wastewater, a year-on-year decrease of 1,941,910.57 tons.

Air pollution control

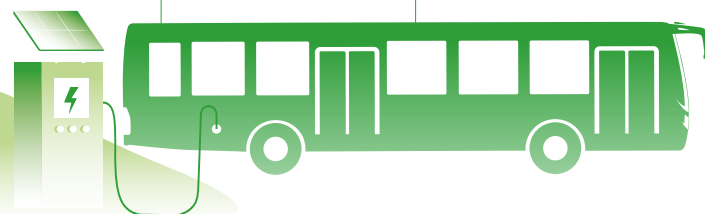
The Company prepared the *Technical Specification for Vehicle Maintenance* to maintain the technical conditions of vehicles, reduce harmful gas emissions from engines, ensure driving safety and prolong the service life of vehicles. It also took active measures to address climate change, promoted the use of new energy buses and pure electric vehicles, and reduced the impact of vehicle exhaust emissions on the environment.

Exhaust emissions (tons) in 2022		
Nitrogen oxide emission	Sulfur dioxide emission	Total
252.641	0.473	253.114

Greenhouse gas emissions (tons) in 2022		
Category 1 (diesel, gasoline and natural gas)	Category 2 (Electricity purchased)	Total
77,556.872	132,662.465	210,219.337
Greenhouse gas emission density(ton/10,000 yuan revenue)		
0.361		

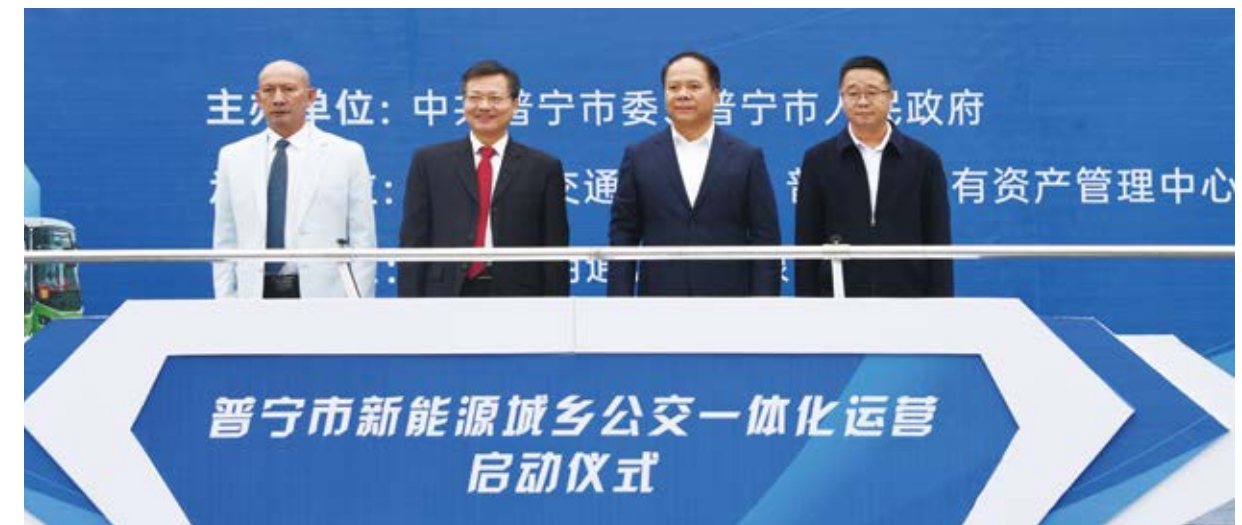
As of the end of 2022, the Company

- Used **4,718** new energy buses accounting for **95%** of the total number of buses
- And built a total of **75** bus charging stations (54 of which are self-operated) and **669** charging piles (520 of which are self-operated) in 10 prefecture-level transportation units.



Case Shanwei Yueyun Company helps Puning City to create an integrated urban and rural public transport

On January 29, 2022, Puning City held a launch ceremony for the operation of new energy buses for urban and rural public transit. The first batch of 100 new energy buses would be put into operation before the Spring Festival. Shanwei Yueyun Company dispatched a special working group for the public transport project in Puning City to provide hardware and software support for the integration of new energy bus project for urban and rural public transport, and to rapidly improve the level of public transport services in Puning City in terms of vehicle input, personnel structure, operational experience, and intelligent management. Smoother connection between rural and urban areas in Puning will be achieved due to the improvement in accessibility and service coverage of the bus network, along with the sufficient, efficient, and high-quality passenger service supply. Such efforts will offer more efficient, convenient, safe, and environmentally friendly transport options for both urban and rural residents, which is of great significance for energy conservation, emissions reduction, and green development.



Launching Ceremony for the Integrated Operation of New Energy Urban Rural Public Transport in Puning City

Case Use of battery swapping station at Dahuai Service Area of Shenyang-Haikou Expressway.

On January 26, 2022, the first battery-swapping station at Dahuai Service Area of Shenyang-Haikou Expressway, subordinated to Yueyun Transportation, was put into use. This station can hold up to 13 batteries, provide up to 312 services per day and achieve the whole automated battery-swapping process in no more than 5 minutes. In addition, 23 charging piles and 29 charging guns have been installed in the service area, which can simultaneously charge 29 vehicles, greatly reducing the waiting time and providing strong energy services to solve the "range anxiety" for NEV owners.



Tesla charging piles at Dahuai Service Area

Case Yangjiang bus charging station is officially put into operation, providing support for public transport services

In February 2022, Yangjiang public bus charging station owned by Yangjiang Yueyun Langri Co., Ltd. was officially unveiled and put into operation. The charging station covers an area of 3,300 m² and has 44 charging piles, with a maximum charging power of 150 kW. The charging station is located on the east side of Kangtai Road, Jiangcheng District, Yangjiang City, Guangdong Province, and on the west side of Suidong Substation, adjacent to the national highway, with an advantageous geographical environment.



Yangjiang Public Bus Charging Station

"The charging station not only features a good environment and advanced equipment, but also provides convenient and fast charging service. In the past, the fastest charging time at the old charging station was three hours, but now it only takes one hour, which has saved us a lot of time."

—A new energy bus driver

Water Resource Management

The Company actively takes water-saving and alternative measures, spares no efforts to reduce the loss and waste in the process of water use, sets goals and plans for water use intensity, improves water use efficiency with the aid of advanced technology and information technology, and vigorously promotes wastewater resource utilization, to achieve efficient and reasonable use of water resources.

In 2022,



Ecological protection

The Company attached great importance to beautifying and improving the ecological environment in the service area, encouraged and advocated a green production and lifestyle, and created a good atmosphere of "Green Transportation, Everyone's Responsibility".



The Company held more than **100** video conferences.

Improving ecological environment

Taking into account the topography, environment, and soil characteristics of the service areas, service areas of the Company were decorated by focusing on 3D mixture of colors, continuously improving the landscaping, and creating a green ecological landscape that was "evergreen in four seasons and flowery in three seasons", so as to create a safe, smooth, comfortable, and beautiful travel environment for passengers.

Advocating green life

The Company advocated water conservation, electricity conservation, and paper conservation, and promoted the use of video conferencing to reduce energy consumption from travel. It also communicated environmental awareness to passengers and employees and strived to be a model and promoter of green & environmental protection through the promotion boards erected in service areas, bus stations, and office buildings.

Case Low-carbon and energy-saving public benefit activities are launched to enhance public awareness of environmental protection.

During the National Energy Conservation Publicity Week in June 2022, Yuebei Branch of Top-E Company organized volunteer service activities under the theme of "Giving Priority to Energy Conservation to Ensure Green and Low-Carbon" at the Yiliu Service Area on Lechang-Guangzhou Expressway and Fengyang Service Area on Erenhot-Guangzhou Expressway. These activities aimed to further promote a simple & moderate, green & low-carbon, civilized & healthy social trend, vigorously advocate green & low-carbon production and lifestyles, and continuously enhance the public's awareness and ability to conserve energy and reduce carbon emissions by distributing environmental protection pamphlets, sharing environmental knowledge, and conducting voluntary cleaning.



Theme Activity of "Giving Priority to Energy Conservation to Ensure Green and Low-Carbon"

Case Become a young river protector to protect Nanshui Lake.

In May, 2022, Yiliu Service Area on Lechang-Guangzhou Expressway, subordinated to Yubei Branch of Top-E Company went to Ruyuan Nanshuihu National Wetland Park to carry out the volunteer service activity of "Becoming a young river protector to protect Nanshui Lake". Volunteers took the initiative to clean up the garbage around the lake and send it to the recycling station for treatment, which effectively improved the lakeside environment and protected the green mountains with practical actions.



The Volunteer Service Activity of "Becoming a young river protector to protect Nanshui Lake"

Case Beautify the travel environment and create a green landscape.

During the Arbor Day in March 2022, 32 service areas subordinated to Top-E Company carried out tree planting activities, adding shade by means of parent-child co-planting, passenger co-planting, and repairing the 400-m potholes. These volunteers made an environmental protection declaration in hand-painted form. More than 500 trees including osmanthus, camellia and grapefruit were planted during the activity, which effectively improved the greening environment in the service areas.



Tree Planting Activities



and Building a Road of Inclusive Livelihood

Serving the Society

Yueyun Transportation adhered to sharing the benefits of development with society while improving corporate efficiency. It took stakeholders' interests and demands seriously, and provided attentive services adhering to the principle of "customer first". Besides, it safeguarded employees' rights and interests, worked together for growth, and actively participated in community building to enhance people's well-being.

- Customer first
- Supply chain management
- Win-win cooperation
- Employee welfare
- Community contributions

Customer first

The Company focused on customer needs and made every effort to cultivate good customer relationships by taking every complaint and suggestion seriously, handling related issues properly, and safeguarding customer rights with practical actions. The goal was to provide customers with safe, convenient, and comfortable travel service experiences.

Security guarantee

Transportation is a fundamental, pioneering, and strategic industry for the country. The Company firmly maintained the bottom line of transportation safety, and strengthened safety hazard investigations, emergency management of sudden incidents, and other measures, guarding safety of customers.



Liangjinshan Service Area on Kaiping-Yangjiang Expressway

In 2022, the Company

Invested **RMB 41,480,900** in security measures

And held safety training covering **223,816** people

with a total of **1,457,042** hours of training

The average training time per person was **6.5** hours



Note: The statistics cover 16 subsidiary companies and Taiping Interchange Management Department, both of which signed work safety responsibility agreements with the Company.

Consolidating security management

Improving the system

- The Company updated 6 implementation rules, including the *Rules for the Implementation of Supervision and Management Measures for Work Safety (Safety Risk Management)* and the *Measures for Dynamic Supervision and Management of Commercial Vehicles*, to improve the safety management system.
- Additionally, the Company revised its *Measures for Emergency Management of Sudden Incidents* and added 3 new implementation rules to improve its emergency management system.
- Furthermore, the *Management Measures for Evaluating Commercial Vehicles* was improved to further standardize vehicle evaluation and provide strong support for the Company's decision-making regarding the procurement of commercial vehicles.

Strengthening hidden danger investigation

- The Company developed the *Work Safety Inspection Plan 2022*, and conducted regular work safety inspections, specialized safety inspections, and non-scheduled safety inspections in strict accordance with the Plan.
- Additionally, the Company addressed all risks and hazards identified during inspections in strict accordance with the requirements and implemented a closed-loop management on rectifying hidden dangers.

Implementing monitoring and management

- The Company revised the *Measures for Dynamic Supervision and Management of Commercial Vehicles* to further clarify the monitoring and management interface, access conditions for monitoring personnel, job grades and monitoring & management requirements.
- In addition, the Company inspected and evaluated the centralized monitoring work to further enhance monitoring effectiveness, reduce monitoring management costs and achieve the centralized monitoring work objectives.

Enhancing emergency response capabilities

- The Company organized its subsidiaries to submit the *2022 Emergency Response Drill Plan of Work Safety*, and continuously improved its emergency response capability for work safety accidents based on the actual business of the Company.
- In addition, the Company organized its employees to participate in the emergency response drill of work safety accidents held by Yueyun Rescue Company, the emergency response drill of dangerous chemical accidents in service areas held by Top-E Company, and the emergency response drill of customized passenger road traffic accidents held by Shaoguan Yueyun Company.

Organizing safety training

- The Company organized the certified work safety training for "three types of personnel" as required.
- In addition, the Company conducted the systematic training on the weaknesses of safety management in rental properties based on business transformation and development needs.
- The Company also provided safety lectures to enhance employees' safety awareness, sense of responsibility, and legal awareness.

Conducting safety publicity

- The Company publicized work safety to create a strong atmosphere of work safety.
- In addition, the Company organized its employees to participate in safety publicity activities such as the 3rd Collection and Exhibition of Emergency Management Publicity Works, "Guangdong Online Marathon for Emergency Management Publicity", and road traffic safety publicity.

Implementing special security management



Implementing security measures

- The Company held special meetings to study and implement the "Fifteen Measures for Work Safety" by the Work Safety Committee of the State Council (the "WSC") and the "Sixty-Five Measures on Work Safety" by Guangdong Provincial Work Safety Committee.
- The Company formulated and implemented its own *Work Safety Inspection Plan* and carried out work safety inspections throughout the Company to effectively prevent and solve work safety risks and hazards.



Taking measures in the special protection period

- The Company carried out the road safety risk and accident prevention in the special protection period throughout the Company, and strictly implemented the "Three ones" work safety principles and the work of the leadership team in the special protection period.
- The Company also strengthened the implementation of the "Nine Strong Measures" and "Five Fast Mechanisms" of the Guangdong Provincial Communication Group Co., Ltd. as the core of road traffic safety risk and accident prevention in the special protection period, to create a good safety environment for successfully convening the Party's 20th National Congress.



Conducting special inspection of building safety

- The Company actively promoted special activities for investigating and rectifying safety hazards in houses and buildings, formulated, printed and distributed work plans, and supervised and guided the subsidiaries to identify 120 houses of four types.
- The Company conducted thorough rectification and implemented management and control measures in strict accordance with the requirements of "One Plan for One Problem, One File for One Problem and One Responsible Person for One Problem".
- The Company also conducted a "look-back" inspection on the rectification of potential safety hazards in the buildings of key units, and put forward suggestions for continuous improvement and management improvement to ensure their safety.



Launching special rectification action "Safety Belts - Life Belts"

- The Company formulated *Yueyun Transportation Notice on Further Standardizing the Use of Safety Belts for Commercial Vehicles*, and strictly and quickly punished units that failed to wear safety belts.
- The Company's leaders led a safety belt inspection campaign, inspecting more than 560 commercial vehicles, and pointing out and recording all violations to form a closed-loop management.



Implementing and supervising upgrading & reconstruction and typhoon prevention of Liangjinshan Service Area

Case Yueyun Rescue Company adds 213 highway rescue points

In order to ensure safer and more efficient vehicle rescue services, during the National Day, Yueyun Rescue Company added 213 highway rescue points on the highways in Guangdong Province, covering a total of 77 provincial highways with 403 rescue stations. In case of emergency, Yueyun Rescue Company can provide rescue services quickly on the scene and clear obstacles in time, escorting drivers to travel safely and smoothly.



Members and rescue equipment of Yueyun Rescue Company are ready

Provision of quality services

Adhering to the business philosophy of "customer first", the Company focused on its main business and worked to build a professional, diversified, and convenient comprehensive travel service platform, providing customers with high-quality travel services.

In 2022, the Company added the following customized routes:

9 regional routes

2 intercity routes

196 rural passenger transport routes available for online ticketing

Its "One-click Rescue" and other worry-free travel services on highways reached 16,020 people



Innovation empowers service upgrade

Innovative construction to create characteristic services

- According to the brand strategy of “One Strategy for One Line, and One Brand for One Area”, the Company promoted the construction of characteristic service areas, and successfully created the first national freight-themed service area, Shengtang Service Area, and the comprehensive service area, Liangjinshan Service Area, which integrates elements of watchtowers and local specialties.
- The Company transformed itself into a comprehensive energy service provider, creating a new industrial chain for developing energy business, which resulted in 253,000 new electronic members for Guangdong Yueyun Energy petrol stations, the total number of members was 539,000.
- Yueyun Rescue Company launched a membership-based vehicle travel protection service platform and a vehicle travel guarantee service called “Gold Card Member of Yueyun Expressway Trailer”.
- Highway Media Company fully utilized the advantages of direct-to-customer and mature network of service areas to promote the added value of service area advertising resources.

Digital empowerment to assist in service upgrading

- The Company formulated the *Work Plan for Strengthening Information Construction and Management (Trial Implementation)*, clarified the overall coordination mechanism, and promoted independent research and development so as to improve technical service guarantee capabilities, enhance core competitiveness of the main business, and promote the industrial digitalization.
- The Company promoted the research and application of the cloud service platform, designed for video-monitoring rescue and based on 5G+AI technology to improve the efficiency of vehicle rescue services. This project won the third prize in 2022 Excellent Project Cases of Intelligent Transportation in Guangdong Province.
- The Company developed “Yueyun Expressway Trailer” mini program to support membership-based service work.
- In terms of the passenger transportation, The Company successfully completed intelligent supervision and operation service.

Case First “freight-themed” service area in China makes an appearance

The first “freight-themed” service area in China, Shengtang Service Area, officially made an appearance on the Kaiping-Yangjiang Expressway. This service area not only has a full-featured service area with facilities such as showers, laundry rooms, and fitness rooms to meet the diverse needs of travelers, but also fully considers the characteristics of trucks and freight transportation, presenting the local natural scenery and cultural heritage to passing drivers and passengers from multiple angles and levels. In addition, a driver's rest area is specially created, with 20 capsule rest cabins provided to offer a fully-rested space for tired truck drivers, escorting them safely on their journey.



First “freight-themed” service area in China makes an appearance on Kaiping-Yangjiang Expressway

Case “Caring Parking Spaces” installed in the Xinju Service Area

After the Spring Festival, it was raining continuously, and drivers on the expressway found it inconvenient to park and get off their cars. The upgraded “Caring Parking Spaces” at the Xinju Service Area on Yangmao Expressway in Guangdong Province now have a long corridor roof to shelter almost half of the parking area, allowing drivers to park their cars without being bothered by the rain. The service area focuses on improving the travel experience of its customers, enhancing its service quality by improving the car parking, and making it easy and convenient for drivers to park their vehicles.



“Caring Parking Spaces” at Xinju Service Area

Case Launch of “Study President Xi’s Thought for National Rejuvenation” themed bus supported by Chancheng convergence media

To achieve the “last kilometer” of publicity and public service, Chancheng District will use convergence media to promote its platform themed “Study President Xi’s Thought for National Rejuvenation”. Not only are there promotional slogans for “Study President Xi’s Thought for National Rejuvenation” on the exterior and interior of the bus, but there are also QR codes attached to the back of each seat, making it convenient for citizens to “scan and learn”. Foshan Yueyun Bus Company develops quality transportation services, revitalizes idle publicity resources, and creates the themed bus as an important window to showcase Chancheng as the most dynamic center of Foshan City.



“Study President Xi’s Thought for National Rejuvenation” themed bus supported by Chancheng convergence media

Timely response to customer demands

The Company worked to address customer demands promptly by continuously optimizing customer feedback and complaint resolution mechanisms and improving customer complaint channels.

In 2022, the Company achieved **0** complaints regarding services. And **100%** response to customer complaints.

Effective protection for customer privacy

The Company strictly complied with laws and regulations including the *Data Security Law of the People’s Republic of China* and *Personal Information Protection Law of the People’s Republic of China*, conducted self-inspections, and adjusted its ticketing program in a timely manner according to supporting documents such as the *Provisions on the Scope of Necessary Personal Information for Common Types of Mobile Internet Applications* to effectively protect customer privacy from any leaks.

In 2022, the Company received **0** complaints on customer privacy leak.

Supply chain management

The Company placed great emphasis on supply chain management and continuously strengthened and improved the supply chain management system to create a more stable and reliable cooperation environment, ensuring proper management of all upstream and downstream links. At the same time, the Company actively promoted both the supply and demand sides to fulfill social responsibility, to facilitate sustainable development and achieve win-win cooperation with partners.



- We strengthened supply chain management and clarified the processes, decision-making authority, and procurement methods for various types of purchases by issuing the *Management Measures for Non-Bidding Procurement*, *Bidding Management Measures*, *Implementation Measures for Decision-Making on Major Events*.
- We implemented a closed-loop procurement control that combined system control, process control, and contract control to ensure the standardization of procurement processes and the qualifications of suppliers.
- We regularly conducted legal risk investigations related to procurement matters involving the supply chain and other areas, developed risk control measures based on identified risks, and supervised the implementation of corrective actions.

- We developed the *Supplier Management Measures*, established a qualified supplier database, and introduced negative behavior control measures such as blacklists and graylists to deepen the implementation of supplier assessment and evaluation mechanisms.
- We strengthened communication and contact with suppliers in daily work to understand the supply and demand situation of maintenance materials and the service conditions of suppliers.

- We focused on supplier management and training, conducted technical and safety exchanges with suppliers, and held trainings about related platforms and systems so as to enhance safety capabilities and levels of suppliers.

Win-win cooperation

The Company attached great importance to collaborating with diverse social entities, innovating ways of cooperation, and sharing development achievements, so as to empower corporate travel services, and create greater social value while achieving win-win cooperation.

Cooperation for win-win results

- We promoted cooperation with TravelGo to achieve mutual benefit by selling Yuexing's bus tickets on TravelGo APP and selling TravelGo's flight and train tickets on Yuexing platform.
- We also engaged in business cooperation with Didi by designing an overall plan for customized bus services, signing related vehicle and platform cooperation agreements, and organizing business operations.

Cooperation for service upgrade

- We partnered with Cheyingwang, Nanyuetong, and Guangzhou Changyun Group for customized business cooperation, and launched two intercity customized routes. Besides, we enhanced the operational service capability of internal team, and upgraded the Yuexing platform.
- We organized Yueyun Development Company and Hehe Smart Technology Company to promote the construction of Guangdong and Hong Kong ticketing system project, so as to provide one-stop travel services for customers.
- We signed the *Procurement Contract of Technical Consultancy Service for Clearance and Rescue* with Ningxia Communications Investment Expressway Management Co., Ltd. to promote the upgrade of vehicle rescue services.

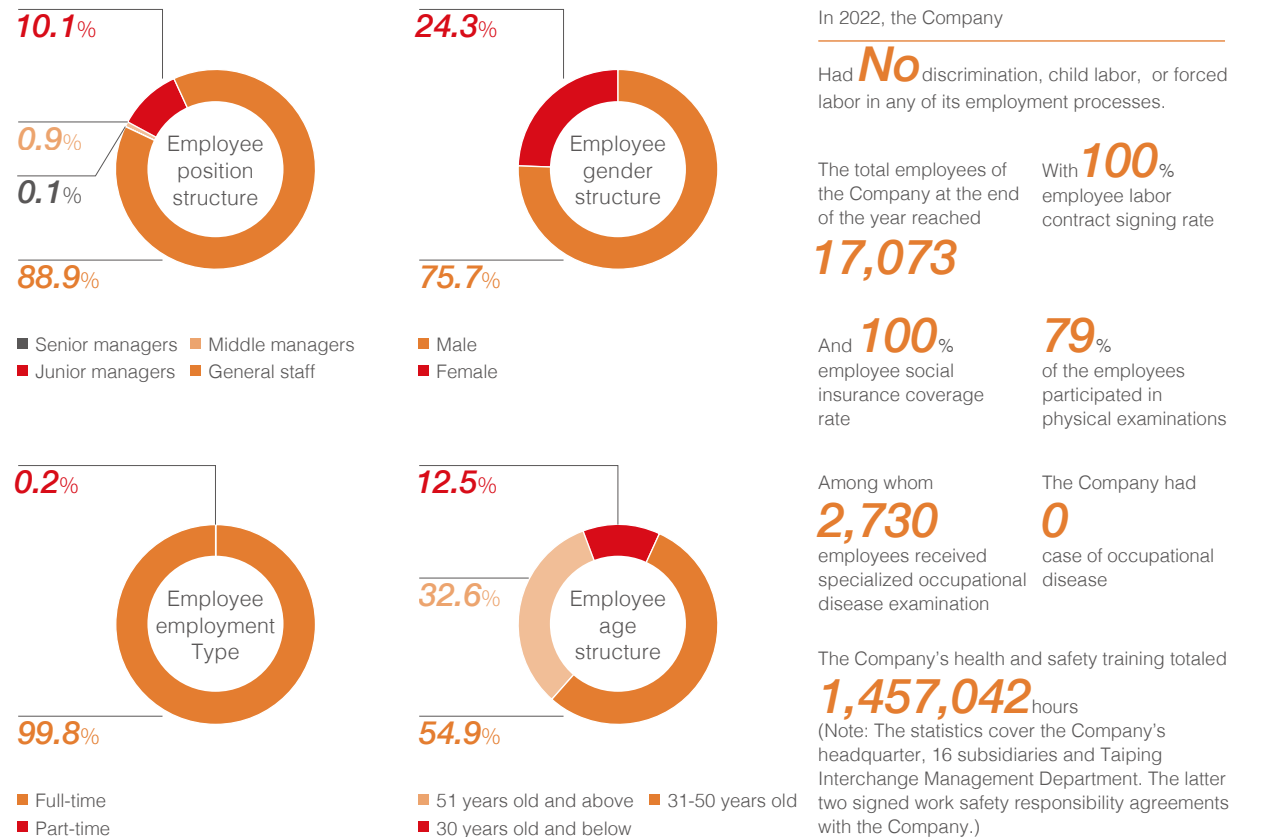
Employee welfare

The Company valued employee welfare, worked to protect the rights and interests of laborers, and provided employees with a good working environment and benefits, as well as a complete training system to inspire employees' creativity and achieve mutual development of the Company and employees.

Employee rights and benefits

The Company strictly adhered to the *Company Law of the People's Republic of China* and *Labor Law of the People's Republic of China*, actively implemented relevant national policies, and improved the human resources system and management system to comprehensively protect the legitimate rights and interests of employees in employment relationship, salary & benefit, occupational health, and democratic management. This ensured that all employees shared the Company's development dividends and felt a sense of achievement.

The company's business location is in Guangdong Province, and there are few employees working outside Guangdong Province. The number of employees divided by region does not have a significant impact on the company. Therefore, statistics and disclosure of such indicators are not made.



Adhering to the principle of equal employment

- We ensured fair recruitment and employment both internally and externally, and emphasized the integration of job seekers' values and enterprise culture, professional skills, and work experience.
- We were determined to eliminate gender and racial discrimination, prevent child labor, and forced labor, and recruit employees based on the principles of openness, fairness, and impartiality, ensuring the rights of female workers.
- We expanded recruitment channels, using various forms such as internal recruitment, online recruitment, campus recruitment, and on-site recruitment to attract and select talents.

Improving the salary and benefits system

- We vigorously implemented national policies and paid for all employees' social insurances, including pensions, medical care, work injury, maternity, unemployment, and housing provident fund.
- We provided employees with market-competitive compensation and a comprehensive package of guarantees and incentive plans, including welfare projects, career development plans, and a good working environment.
- We deepened the reform of the income distribution system, improved the linkage mechanism of work efficiency, and strived to achieve the goal of "consistency between responsibility and interests, ability and value, contribution and income" in salary distribution.
- We ensured that employees enjoyed vacation rights, including national statutory holidays, public holidays, and annual leave.
- We shared the fruits of corporate development with our employees, and improved their salary while continuously improving corporate efficiency, and favored frontline and core positions in terms of the salary increase.

Ensuring employees' occupational health

- According to the *state Safe Production Law, Occupational Disease Prevention and Control Law* and other relevant regulations, we constantly improved the occupational health and safety management system, strengthened occupational health control measures, and organized employees for physical examinations.
- We regularly organized work safety trainings and provided employees with professional guidance on health and safety.

Promoting democratic management

- We deepened the enterprise democratic management, with the workers' congress as the basic form. Besides, we combined offline and video link methods to hold the third session of the 3rd workers' congress and meeting of trade union's representatives of Yueyun Transportation.
- Each level of the workers' congress effectively implemented its authority, reviewed, and approved major enterprise decisions, labor regulations and systems, salary, and benefits, and organized employees' representatives to listen to the reports and work of enterprise leaders, collect and break down employee proposals.
- We encouraged and guided employees to participate in enterprise democratic management, and reviewed and approved regulations and decisions involving employees' rights and interests, so as to promote standardized enterprise management, science-based decision-making, and more harmonious labor relations.



Third session of the 3rd workers congress of Yueyun Transportation

In 2022, the Company's total number of employee turnover was 4,623, with a loss of 2,450 workdays due to work-related injuries.

The company's business location is in Guangdong Province, and there are few employees working outside Guangdong Province. The employee turnover rate divided by region does not have an important impact on the company. Therefore, statistics and disclosure of such indicators are not carried out.

	Employee turnover (person)	Proportion (%)
Male	3,197	69.15%
Female	1,426	30.85%
Aged 30 and below	780	16.87%
Aged 31 to 50	2,589	56.00%
Aged 51 and above	1,254	27.13%

	Work-related deaths (person)	Proportion (%)
2020	3	0.01%
2021	0	0%
2022	2	0.01%

Career development

As a company that valued employee development, Yueyun Transportation provided employees with various training courses and learning opportunities, and established a career growth platform to help employees achieve career development, and meet higher-level career challenges.

In 2022, the Company utilized online platforms and offline resources to cultivate internal talents and held a total of **428** internal training courses, with a total of **49,900** participants and an average of **18.5** hours per person. Among them, **45** were management skills courses, **69** were general skills courses, **190** were professional skills courses, and **42** were other courses. In the self-conducted internal and external training evaluation, the overall satisfaction rate of learners was above **90%**, that is, at a satisfactory level.

Improving training system for employees

- We organized relevant personnel from the Board of Directors to participate in Special Training Course on Board Building for Guangdong Provincial Communications Group Co., Ltd.
- We also organized managers from our headquarters departments to participate in online training courses themed "Accelerating the Construction of World-Class Enterprises" as needed.
- We made full use of online platforms and offline resources to train internal talents and summarized training results. To be specific, we prepared the implementation evaluation report - *2018-2022 Education and Training Plan for National Officials*, and the *Training and Education Report for Grassroots Officials*.

Perfecting talent selection system

- We strictly implemented the *Management Measures for Middle Managers of Guangdong Yueyun Transportation Company Limited* and regulated the operation process and discipline of selecting and appointing personnel.
- We implemented the pilot work of professional manager system and expanded talent selection channels.
- We improved the talent selection and appointment mechanism, expanding employees' right to know, participate, choose and supervise in the selection and employment process, and further enhancing the credibility of talent selection and appointment.

Focusing on training frontline and female employees

- Our trade union relied on platforms of Guangdong Federation of Trade Union such as "Learning and Achieving Dreams" and "Large-scale Training Action for Industrial Workers" to encourage frontline employees to continue their education and improve academic degree and quality.
- We led female employees to make contributions in their positions and establish a persistent learning concept. Besides, nearly 30 "star" female employees were cultivated after being trained in the "Lecture Hall Training Center".
- We dug deeper into the characteristics and advantages of female employees, created the "Sunshine Women" team brand project, and continued to provide more platforms and choices for female employees.



Skill training for female employees



Sunshine women volunteer team



类别	Average training time (hour)	Number of trainees (person)	Percentage trained (%)
Male	53	12,554	75.7%
Female	48	4,022	24.3%
Managers	80	1,833	11.1%
Employees	53	14,743	88.9%

Case Training Center of Yueyun Rescue Company

Standard and professional vehicle rescue services rely on professional, technical rescue capabilities. Yueyun Rescue Company relies on its training center to develop professional training programs through pre-job training, annual off-the-job training, special skills training, new technology and new process application, etc. The training center ensures "personnel training with actual equipment, equipment testing with actual practice, and rescue practice with actual performance." The training center has creatively developed 75 textbooks for complex site clearing and rescue cases and safety operating procedures. The training center has improved the rescue skills and disposal capabilities of the rescue team members and delivered professional vehicle rescue talents for Yueyun Transportation.



Yueyun Rescue Team

Care for employees

Adhering to the concept of "people first", the Company cared for and cherished its employees. It was committed to creating a good working environment and quality of life for them. The goal was to ensure that every employee can lead a happy life, feel the Company's support, and work together to create a better future.



Carry out caring activities

- We conducted the "Sending Warmth" activity during the Spring Festival to visit and help the employees in difficulty. The "New Year Love Breakfast" activity provided festival meal allowances to frontline employees on duty.
- We paid attention to the labor protection of frontline employees in hot weather. We distributed 2,600 boxes of Wanglaoji herbal tea drinks to grassroots employees in "Summer Coolness Delivery" activity.
- Our trade union established a "Driver's Home" project and set up "Loving Small House for Drivers" at key locations to create a warm harbor for employees.
- We organized visits for employees in difficulty and those hospitalized due to illness, provided consolation money for them, and organized fundraising for employees with severe illnesses, so as to help solve their difficulties in work and life.



Organizing recreational and sports activities

- We organized recreational and sports activities that were beneficial to the physical and mental health of employees, such as holiday celebrations, hiking, ball games, psychological counseling, and movie watching, promoting the development of the corporate culture.
- We participated in Guangdong Provincial Communications Group's "Showcasing New Era Female Staff's Elegance and Charm in Ancient Town" talent show and submitted a promotional video of female staff wearing Hanfu (traditional Chinese clothing) entitled "A Beautiful Life, Only Because of You".

Case Ping-Pong brings enthusiasm for excellence

On November 2, the trade union of Top-E East Guangdong Branch successfully held the 2022 Table Tennis Competition of "Ping-Pong brings enthusiasm for excellence" at Waxi Service Area on Jiexi-Boluo Expressway. The one-day competition was exciting and intense, with fully engaged participants displaying their sportsmanship and style. The competition not only brought friendship and unity, but also helped to improve the physical fitness of all employees and enrich their leisure activities, enhancing their sense of collective honor and cohesion.



Photo of the Ping-Pong competition for employees



Visiting Party members in difficulty



Visiting frontline staff



Visiting frontline employees fighting against the epidemic at Liangjinshan Service Area



Tongyi Yuedong branch organizing staff staff Spring Festival Reunion dinner

Community contributions

The Company always remembered its corporate social responsibility and actively participated in charitable activities, contributing to the high-quality development of cities and the harmonious development of the society.

Epidemic containment

The Company strictly implemented accurate epidemic prevention and control measures, actively responded to the epidemic prevention tasks, and did its best to fight against the epidemic and ensure people's livelihood with corporate responsibility and strength of volunteers.

Accurate prevention and control measures

- We invested over RMB 13 million in epidemic prevention measures at highway service areas, including upgrading 12 cross-border transportation stopping areas at service areas in Shunde and Yuwan in accordance with the required prevention and control management standards.
- We cooperated with the owners of highway sections to manage inbound vehicles to Guangdong in accordance with the "Four Special" management regulations and implemented epidemic prevention and control measures in the transportation industry.
- We strictly enforced epidemic prevention regulations and monitored health of over 85 million passengers.
- We also strictly controlled all passengers entering and leaving stations to ensure that all prevention and control measures were in place, such as ventilation and disinfection for stations and vehicles.

Volunteer actions against the epidemic

- We established a pioneer team and encouraged volunteers to vigorously participate in and organize employees to support epidemic prevention with local communities.
- Working as a "commander, gatekeeper, disinfector, and porter" in companies and communities, we contributed to the fight against the epidemic and ensured people's livelihoods.
- We actively responded to the government's epidemic prevention and transportation tasks. As of the end of November, a total of 14,345 transport vehicles were input, and 152,545 people were transported as part of epidemic prevention measures.

Case Joining hands and working together for epidemic prevention transfer

Yueyun Transportation actively responded to epidemic prevention and transfer tasks. After receiving an emergency transfer task from Yangjiang Municipal Transportation Bureau, Yueyun Transportation immediately mobilized 50 "Yueyun Express" vehicles with a grade rating of intermediate or higher and a technical grade of Level One, and selected 100 skilled, resilient, and high-minded drivers to join additional 12 transportation units in forming the "Rescue Team for Hainan" to undertake emergency transfer tasks for stranded tourists in Haikou City. The Volunteer Service Team of Yueyun Transportation Assisting Hainan visited communities in Danzhou, mobile cabin hospitals, and Sanya to carry out a total of 561 transfer tasks, escorting more than 6,200 medical personnel, volunteers, and stranded passengers. The team completed all emergency transfer tasks with full spirit and high-quality service, contributing to the fight against the epidemic.



Neat and orderly "Yueyun Express" departs to support Hainan

Case Overcoming difficulties and "grouping" to support community epidemic prevention

Facing the severe and complex epidemic prevention and control situation in Baiyun District, Guangzhou City, the frontline workers in community epidemic prevention continued to work under high-intensity conditions and urgently needed personnel support. Therefore, 10 employees from Top-E Company, Yueyun Rescue Company, and Guangdong Traffic Engineering Company, all under the umbrella of Yueyun Transportation volunteered to participate in epidemic prevention and control in the Songyuanling and Huiqiaodong communities in Xinshi Street, Baiyun District, Guangzhou City. They actively provided volunteer services such as maintaining order, carrying materials, and registering nucleic acid sampling information, and assisted in completing nucleic acid testing for more than 1,300 people in over 400 households, conveying the determination to win the battle against the epidemic with their enthusiasm to help each other.



Yueyun Transportation volunteers guide citizens to queue for nucleic acid testing

Rural revitalization

The Company deeply implemented the strategy of rural revitalization by purchasing rural products, and helping to boost poverty alleviation. It regarded serving the local and rural areas as its responsibility and transformed the management disadvantage of serving multiple areas with a wide coverage into the development advantage and driving force, thereby using practical actions to benefit the people.



- We carried out "Charitable Haircut" volunteer service activities to provide free haircuts for service area employees and needy travelers.
- We visited schools to distribute learning materials to children, warming their hearts and accompanying their growth.
- We visited and comforted families in difficulty, and sent them necessities such as rice, oil, milk, and oatmeal.
- We undertook the annual public service advertisement for the Publicity Department of Guangdong Provincial Committee of CPC on 60 road sections across Guangdong Province to expand the social public welfare effect.
- We carried out the volunteer activity themed "Love on the Journey, Unblocked Transportation", provided passengers with epidemic prevention packs, creative red envelopes, and masks in Chinese Red carrying blessing connotations for a happy and joyful Chinese lunar new year.

Case Helping and activating the development momentum for rural area

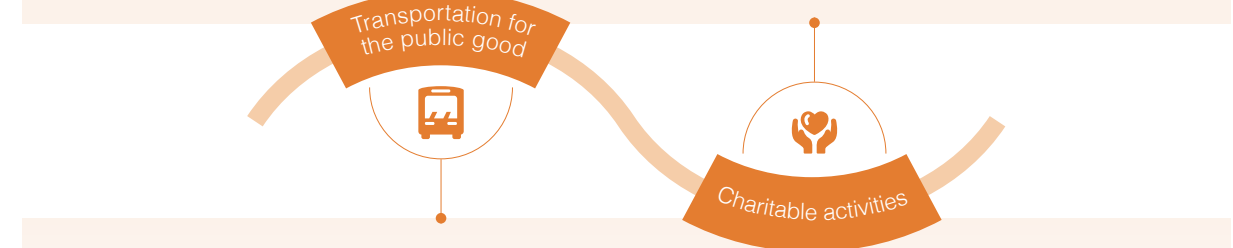
Yueyun Transportation regarded Loyee convenience stores as the main channel of rural revitalization in highway service areas. Nearly two-thirds of the stores have set up special counters for rural revitalization, promoting local specialties and delicacies from Guangdong. By connecting the "last kilometer" from farmland to households, local specialties can be delivered directly and safely to every family's table. To further activate rural development vitality and enhance the ability of rural revitalization, the Company actively provided employment opportunities for the people along the service area. Through online social platforms and offline visits to villages and towns, the Company vigorously called on local people along the service area to work nearby, thereby truly helping rural revitalization achieve long-term development.



Jinzaos Service area rural revitalization display stand

Volunteer service

The Company insisted on participating in various types of public welfare projects, promoting the spirit of enterprise volunteerism, and positive interactions between the enterprise and society.



- We carried out volunteer service activities to ensure safety and smooth traffic, advocated civilized and orderly behaviors, and provided security for home-returning students and traveling citizens.
- We organized "Love Express of Yueyun Transportation" to escort candidates to the exam site.
- We set up a volunteer service desk to provide passengers with inquiry and assistance service in dealing with travel matters.
- We fought against typhoons, transported disaster-stricken people, and fully ensured the safety of lives and property of the public.

Case Responding to the flood and helping over 3,300 people safely navigate the flood

On June 21, 2022, due to sustained heavy rainfall, water level of the Beijiang River's mainstream - Qingyuan section exceeded the warning level. Upon receiving an urgent evacuation notice from the Longchuan County People's Government, Yueyun Transportation immediately formed the "Flood Prevention and Disaster Relief Vanguard Team" composed of Party and League members and dispatched 57 "Yueyun Express" vehicles to evacuate from the affected areas. Under the command of the local flood control department, the Vanguard Team acted quickly to ensure that people were evacuated safely to shelter areas before the flood arrived, in accordance with the Qingyuan Municipal People's Government's requirements of "ensuring that no household nor any person is left behind", thereby safeguarding the lives and property of the people with practical actions.



"Yueyun Express" heads to Xi'ao Town to evacuate the flood-affected people

Case Making every effort to provide a smooth traffic for students participating in the college entrance examination

Yueyun Transportation once again launched a college entrance examination escort activity to create a "green channel" for sending students to the exam. The Company temporarily formed "Yueyun Escort Team for College Entrance Exam", which included Yueyun express services, urban buses, and rural passenger vehicles, to provide convenient transportation services for candidates throughout the province. During the college entrance examination period, the Company dispatched more than 5,000 buses to participate in the escort activity, and students and teachers could ride for free with their exam admission tickets. In addition, according to this year's college entrance examination schedule, the Company appropriately adjusted the departure interval of public transit lines passing through examination sites and increased the frequency of buses during the four peak periods of morning, noon, and afternoon, greatly reducing the waiting time for students and teachers and providing loving escort services for college entrance examination students.



Yangjiang Yueyun Langri Bus supports Yangchun candidates to participate in the college entrance examination



Volunteers guide passengers to their destination



Yueyun employees participate in voluntary blood donation activity



Volunteer from Top-E Company interacts with children in a classroom



Volunteers from Chaozhou Yueyun Company clean up weeds and garbage around the passenger station walls



Wayaogang Service Area carries out a charitable haircut event



Lantern Festival volunteer service activity



元宵节“真情暖旅途”志愿服务活动
——广东通粤粤东地区

Appendix

List of Associations Joined by Guangdong Yueyun Transportation Company Limited in 2022

S/N	Name of association	Membership level
1	China Road Transport Association	Member unit of standing council
2	Guangdong Road Transport Association	Executive vice president unit
3	Guangdong Provincial Transportation Association	Member unit of standing council
4	Guangdong Urban Public Transport Association	Vice president unit
5	Guangdong Chain Operations Association	Vice president unit
6	Guangdong Intelligent Transportation Association	Executive vice president unit
7	Guangdong Expressway Development Association	Executive vice president unit
8	Guangdong Provincial Communications Accounting Society	Member unit of standing council
9	Guangdong Federation of Enterprises and Guangdong Entrepreneurs Association	Council member unit
10	Road Rescue Branch of China Highway and Transportation Society	Council member unit
11	Guangdong Trademark Association	Member unit
12	Guangdong Association of Management Accountants	Member unit
13	Guangdong State-owned Assets Finance & Accounting Society	Member unit
14	Guangdong Discipline Inspection and Supervision Society for State-owned Enterprises	Member unit
15	Guangdong Transport Law Research Institute	Member unit
16	Guangdong Market Institute of Guangdong Province	Member unit
17	Guangdong Legal Consultants Association for State-owned Enterprises	Member unit

Indicator Index

Area	Aspect	Content	Page
A1: Emissions	General disclosure	Information on:(a) Policies; and(b) Compliance with relevant laws and regulations that have a significant impact on the issuer, which is related to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes.	P15
	A1.1	Types of emissions and respective emissions data.	P15
	A1.2	Emissions (in tons) and intensity (if applicable) of direct (Area 1) and energy-related indirect (Area 2) greenhouse gases (for instance, calculated in each unit of production or each facility).	P15
	A1.3	Total hazardous waste produced (in tons) and intensity (if applicable) (for instance, calculated in each unit of production or each facility).	P15
	A1.4	Total non-hazardous waste produced (in tons) and intensity (if applicable) (for instance, calculated in each unit of production or each facility).	P15
	A1.5	Description of established initiatives on emission volume and steps taken to achieve these initiatives.	P10
A2: Use of resources	General disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	P14
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (calculated in 1000 kWh) and intensity (for instance, calculated in each unit of production or each facility).	P14
	A2.2	Total water consumption and intensity (calculated in each unit of production or each facility).	P18
	A2.3	Description of designed initiatives on energy use efficiency and steps taken to achieve these initiatives.	P10
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, explanation of water efficiency initiatives and steps taken to achieve such initiatives.	P10
A3: The environment and natural resources	A2.5	Total packaging material used for finished products (in tons), and packaging material used for finished products per unit produced (if applicable).	Not applicable
	General disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	P14~19
A4: Climate change	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P14~19
	General disclosure	Identification of and response to policies on significant climate-related affairs that have affected and may affect issuers.	P15
B1: Employment	A4.1	Description of significant climate-related affairs that have affected and may affect issuers, and explanations of response actions.	P15
	General disclosure	Information on:(a) Policies; and(b) Compliance with relevant laws and regulations that have a significant impact on the issuer, which is related to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	P28~30
	B1.1	Total work force by gender, employment type (e.g. full-time or part-time), age group and geographical region.	P28
B2: Health and safety	B1.2	Employment turnover rate by gender, age group and geographical region.	P30
	General disclosure	Information on:(a) Policies; and(b) Compliance with relevant laws and regulations that have a significant impact on the issuer, which is related to providing a safe working environment and protecting employees from occupational hazards.	P29
	B2.1	Annual numbers and rates of work-related fatalities in the past three years (including the reporting year).	P30

Area	Aspect	Content	Page
	B2.2	Lost days due to work injury.	P30
	B2.3	Description of what occupational health and safety measures are adopted, and of how they are implemented and monitored.	P29
B3: Development and training	General disclosure	Policies on improving employees' knowledge and skills for performing duties at work, and description of training activities.	P30~31
	B3.1	Percentage of employees trained by gender and employee category (e.g., senior management, middle management).	P31
	B3.2	Average training hours per employee by gender and employee category.	P31
B4: Labor standards	General disclosure	Information on:(a) Policies; and(b) Compliance with relevant laws and regulations that have a significant impact on the issuer, which is related to preventing child and forced labor.	P28
	B4.1	Description of measures to review employment practices to avoid child and forced labor.	P28
	B4.2	Description of steps taken to eliminate such practices when discovered.	P29
B5: Supply chain management	General disclosure	Policies on managing environmental and social risks of the supply chain.	P27
	B5.1	Number of suppliers by geographical region.	P27
	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.	P27
	B5.3	Description of practices relating to identifying environmental and social risks along each link of the supply chain, and explanations of how they are implemented and monitored.	P27
	B5.4	Description of practices relating to promoting the use of environmental products and services while selecting suppliers, explanations of how they are implemented and monitored.	P27
B6: Product responsibility	General disclosure	Information on:(a) Policies; and(b) Compliance with relevant laws and regulations that have a significant impact on the issuer, which is related to health and safety, advertising, labeling and privacy matters associated with the products and services provided and remedy.	P21-26
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable
	B6.2	Number of products and service-related complaints received and handling methods for these complaints.	P26
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	P12
	B6.4	Description of quality assurance process and product recall procedures.	Not applicable
	B6.5	Description of consumer data protection and privacy policies, and explanations of how they are implemented and monitored.	P26
B7: Anti-corruption	General disclosure	Information on:(a) Policies; and(b) Compliance with relevant laws and regulations that have a significant impact on the issuer, which is related to the prevention of bribery, extortion, fraud and money laundering.	P12
	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.	P12
	B7.2	Description of preventive measures and whistle-blowing procedures, and explanations of how they are implemented and monitored.	P12
	B7.3	Description of anti-corruption training provided for directors and employees.	P12
B8: Community investment	General disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure that its activities take into consideration the communities' interests.	P33-38
	B8.1	Focus areas of contribution (such as education, environmental issues, labor demand, health, culture, sports).	P33-38
	B8.2	Resources contributed (e.g., money or time) to the focus area.	P33-38

Feedback Form

Dear readers,

Hello!

Thank you very much for reading the *ESG Report 2022 of Guangdong Yueyun Transportation Company Limited*. If you have any ideas and suggestions on this Report, please fill in the feedback form below and send it to us by mail, fax or email. We are deeply grateful for your valuable comments!

Name: _____ Tel.: _____ E-mail address: _____

Which chapters do you think provide you with important information?

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 Figures of 2022
 Practicing Strict Governance and Laying a Solid Foundation for High-Quality Development
- Protecting the Environment and Keeping to the Path of Green Ecology
 Serving the Society and Building a Road of Inclusive Livelihood

What do you think of this Report?

- Readability Good Average Poor
- Completeness Good Average Poor
- Impartiality Good Average Poor
- Layout Good Average Poor
- Overall impression Good Average Poor

What's your suggestion for our next annual report?

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