



綠色動力環保集團股份有限公司

Dynagreen Environmental Protection Group Co., Ltd.

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

Stock Code : 1330.HK & 601330.SH

2023 Environmental, Social and Governance Report

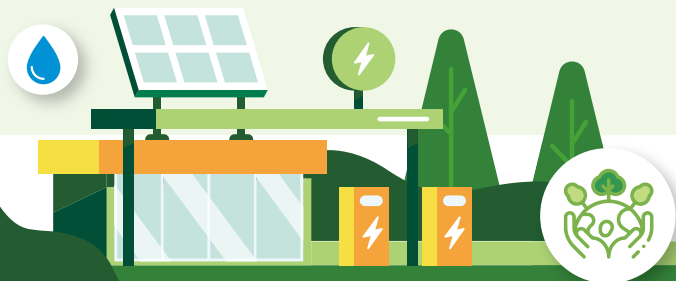


2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") REPORT

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1. ABOUT THIS REPORT

1.1. Basis of Preparation

This is the eighth Environmental, Social and Governance (“ESG”) report (the “Report”) of Dynagreen Environmental Protection Group Co., Ltd. (“Dynagreen”, the “Company”, the “Group”, “we” or “us”). The Report was prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) of Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”), and satisfies relevant requirements under the Self-regulatory Guidelines for Listed Companies No. 1 of the Shanghai Stock Exchange – Standard Operation. The contents of the Report give a disclosure of the Group’s ESG-related strategic guidelines, management measures and performance. The Report will be published on the website of the Hong Kong Stock Exchange, the website of the Shanghai Stock Exchange and the official website of the Company.

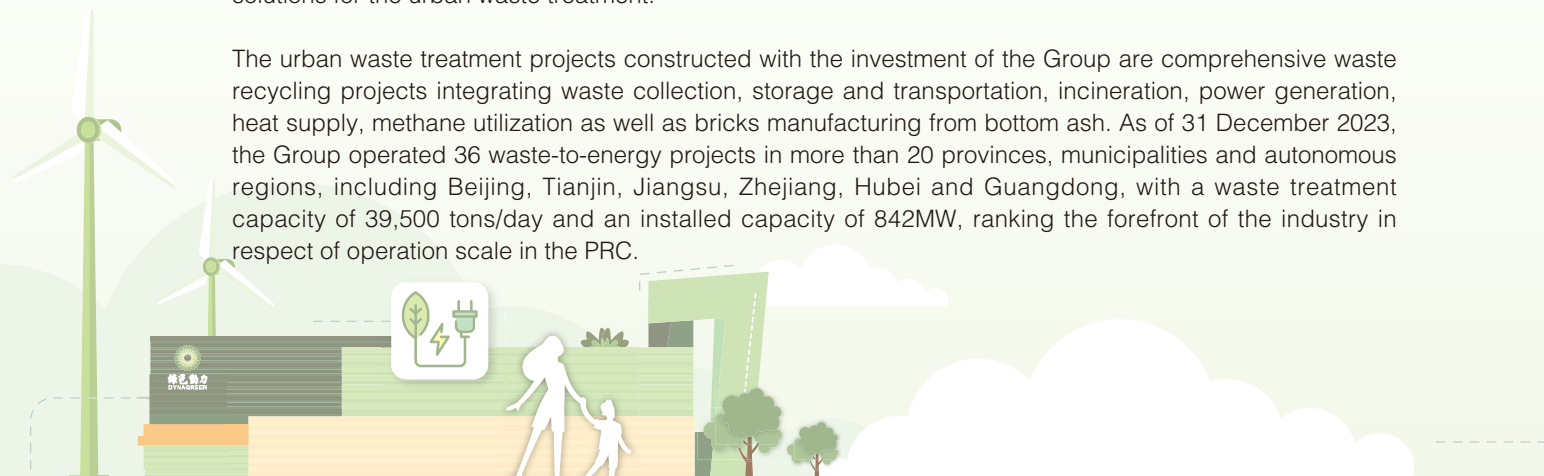
The Report follows the four preparation principles under the ESG Reporting Guide of the Hong Kong Stock Exchange:

- ❑ **Materiality:** We focus on high-importance issues to the Group and our stakeholders. We identify various material ESG issues with the management and staff as well as external stakeholders through communications and these material ESG issues are the basis of report preparation.
- ❑ **Quantitative:** To set a measurable target and evaluate the ESG performance more objectively, quantitative information is provided appropriately. The Group used a data collection system to collect and monitor various environmental and social indicators regularly.
- ❑ **Balance:** We review and disclose our achievements, areas for improvement and future action plans in the Report to provide our ESG performance impartially.
- ❑ **Consistency:** Unless otherwise specified, the methodologies used in the Report are consistent with the prior year for comparisons of ESG data.

1.2. About the Group’s Business

As a pioneer in the industry of comprehensive governance of urban environment, Dynagreen, founded in 2000, is a state-owned listed enterprise group controlled by Beijing State-owned Assets Management Co., Ltd. and specialized in circular economy and renewable energy industry, and is the first enterprise with its A shares and H shares listed in the waste-to-energy industry in the PRC (601330.SH, 1330.HK), with total assets exceeding RMB20 billion. Our scope of business covers the investment and construction, operation and management, technology research and development and supply of the core equipment relating to urban waste treatment projects, and other professional services including consultation in to provide comprehensive solutions for the urban waste treatment.

The urban waste treatment projects constructed with the investment of the Group are comprehensive waste recycling projects integrating waste collection, storage and transportation, incineration, power generation, heat supply, methane utilization as well as bricks manufacturing from bottom ash. As of 31 December 2023, the Group operated 36 waste-to-energy projects in more than 20 provinces, municipalities and autonomous regions, including Beijing, Tianjin, Jiangsu, Zhejiang, Hubei and Guangdong, with a waste treatment capacity of 39,500 tons/day and an installed capacity of 842MW, ranking the forefront of the industry in respect of operation scale in the PRC.



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As a state-level high-tech enterprise, the Group’s core waste incineration equipment adopts domestic patented technology, which has certain cost advantages and technical adaptability advantages. The environmental protection technologies, such as controlling the time and temperature in waste incineration as well as the strict smog and gas treatment technologies, ensure all the emissions including dioxin emissions are meeting the environmental emission requirements. The energy generated from waste incineration and the methane generated by the leachate is reused for power generation or heat supply, the bottom ash is used for making bricks, and the fly ash is subject to sanitary landfill after cement solidification. Our business operation model can eliminate the secondary pollution of domestic waste, so as to truly realize the detoxification, reduction and recycling of waste, help the implementation of the national dual-carbon strategy, and promote the green energy transformation of the society and the development of low-carbon circular economy.

1.3. Scope of the Report

The Report is an annual report. Unless otherwise specified, the time span is from 1 January 2023 to 31 December 2023 (“2023”, the “Reporting Period” or the “Year”). The Report covers the information of Dynagreen Environmental Protection Group Co., Ltd. and its subsidiaries. The environmental information disclosed in the Report covers the Group’s head office and 32 projects which are key pollution monitoring companies that were in operation throughout 2023 (located in Changzhou, Haining, Pingyang, Yongjia, Laizhou, Wuhan, Taizhou, Rushan, Anshun, Jizhou, Huizhou, Jurong, Bengbu, Tongzhou, Ninghe, Guangyuan, Miyun, Jiamusi, Shantou, Bobai, Zhangqiu, Sihui, Hong’an, Shishou, Dengfeng, Yichun, Jinsha, Fengcheng and Enshi, respectively).



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1.4. Source of Information

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

2. ESG DEVELOPMENT MANAGEMENT OF THE GROUP

As an enterprise deeply engaged in the field of integrated environmental protection industry, the Group regards ESG management as an important part of its development and always implements the corporate mission of “creating a better living environment”. It has established a sound ESG governance structure, optimized ESG management measures, and works hand in hand with stakeholders to continuously deepen sustainable development practices.

2.1. ESG Strategy of the Group

Sustainability is deeply embedded in the Group’s corporate culture. The operation and management concept of “safe, environmentally friendly, civilized and effective” is implemented in internal management, customer management, personnel management, market management, and other aspects and is integrated with business development and daily operations. The Group aims to achieve a harmonious coexistence of economy and environment and make greater contributions to the cause of environmental protection through continuous innovation and development.

The Group is a state-owned listed enterprise group engaged in circular economy and renewable energy industry. The core issues of ESG strategy cover six aspects: corporate governance, environmental protection, employee management, product responsibility, Party building leadership and community welfare. Through investment, construction, operation management, technology research and development, and other means, the Group has become a pioneer in the comprehensive urban environmental treatment industry, and always fulfills the firm commitment to environmental protection and social responsibility.



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2.2. ESG Management Structure of the Group

The Group continuously improves its ESG management structure to achieve sustainable development and constantly enhances its ESG management level to ensure comprehensive coverage from strategy formulation to implementation.

The Group has established a sustainability management system. The board of directors of the Group is the highest decision-making unit and takes overall responsibility for the Group’s ESG, including the formulation of relevant strategies and policies, regularly checks of the progress of sustainability related work, and overall supervision of the Company’s ESG management; the management team is responsible for assisting the board of directors in supervising risk management and governance. Under the management team, an ESG working group composed of members from various business departments is set up to work together on ESG-related matters such as compliance operation, pollution prevention and control management, supplier management, and environmental protection, and ensure the effective implementation of ESG strategies to ensure the smooth implementation of sustainability work.

Board of Directors	<p>It takes overall responsibility for Group ESG matters and oversight of the Group’s sustainability and climate change risk management and performance.</p> <ul style="list-style-type: none"> • Be responsible for reviewing and approval of the ESG strategy, objectives and policy formulation system; • Regularly receive the report from the management on risks and opportunities about ESG.
Management	<p>It assists the board of directors to oversee the Group’s overall risk management and governance issues.</p> <ul style="list-style-type: none"> • Assess the Group’s ESG issues and related activities and provide suggestions for improvement; • Advise the board of directors on the ESG management.
ESG Working Group	<ul style="list-style-type: none"> • Implements the ESG strategies, sets individual respective actions and goals, devises and implements related plans and policies; • Works with business units and departments regularly to collect data, track operational performance and help with the preparation of the ESG report.



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2.3. Participation of Stakeholders

The Group proactively expands communication channels with stakeholders to fully listen to the opinions and feedback of stakeholders, and has established a normalized communication mechanism and continuously deepens cooperation with stakeholders, so that actively protect the rights and interests of stakeholders and jointly realize the beautiful vision of sustainability.

Stakeholders	Significance to Dynagreen	Issues of Concern	Dynagreen's Responses
Shareholders/ Investors	Stakeholders who are concerned with the Company's operations and sustainable development	<ul style="list-style-type: none"> Development plan of the Company Legal and compliant operation Return on investment 	<ul style="list-style-type: none"> Convene general meetings of shareholders every year Update the company website and disclose business information Maintain good profitability Continuously improve the level of corporate governance
Government and regulatory authorities	Key stakeholders who are concerned with the compliance of economic, environmental, and social laws and regulations of Dynagreen and affect industrial development and policy promotion	<ul style="list-style-type: none"> Legal and compliant operation Waste treatment Stable power supply Pollution prevention and control management Economic growth Payment of taxes on time 	<ul style="list-style-type: none"> Attend government meetings from time to time Publish environmental emission data Publish production safety data Attend policy lectures and symposiums from time to time
Customers	Key stakeholders who are concerned with the stability of power supply, operation, product responsibility and environmental compliance of Dynagreen	<ul style="list-style-type: none"> Power supply reliability Integrity management Waste treatment Supplier management Risk management and control Environmental compliance 	<ul style="list-style-type: none"> Satisfy customer requirements effectively and timely Dedicated to providing high quality customer service Customer satisfaction survey
Employees	As an important human capital of Dynagreen, employees are key stakeholders of Dynagreen's continuous growth	<ul style="list-style-type: none"> Workplace health and safety Employee benefits Good working environment Career development 	<ul style="list-style-type: none"> Carry out employee activities Pay attention to employee health Provide training opportunities Ensure a safe working environment

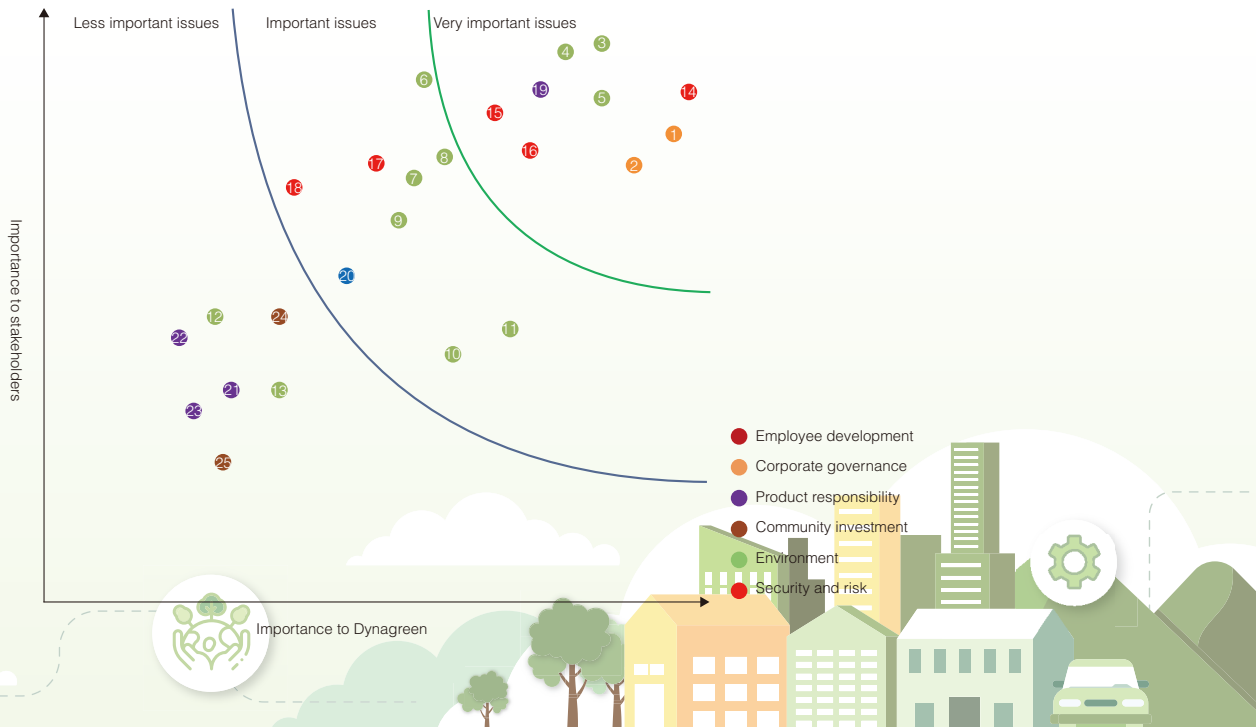


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Stakeholders	Significance to Dynagreen	Issues of Concern	Dynagreen’s Responses
Community	Residents living around the plants of Dynagreen, stakeholders affected by the operations of Dynagreen	<ul style="list-style-type: none"> Community participation Environmental protection 	<ul style="list-style-type: none"> Sponsor community activities Disclose pollutant discharge data Participate in local community activities and volunteer services
Industry Associations	Stakeholders who jointly promote industrial development	<ul style="list-style-type: none"> Circular economy Waste management New technology of power supply 	<ul style="list-style-type: none"> Join industry associations Communicate and exchange operational results
Suppliers	Merchants who generate electricity and improve services for Dynagreen and are also stakeholders who need to work together to face ESG issues	<ul style="list-style-type: none"> Supplier management Corporate governance Technological innovation 	<ul style="list-style-type: none"> Advise good supplier relationship Conduct audits on suppliers irregularly and understand the operational performance of suppliers

2.4. Materiality Assessment

In order to identify issues with significant impact, the Group conducted stakeholder surveys on sustainability issues by means of questionnaires combined with interviews. After identifying the importance of stakeholders to various issues according to the survey results, based on their own development strategies and industry characteristics, the sustainability materiality matrix was drawn upon review and approval by the board of directors and management. A total of 9 issues were identified as “very important” issues, and the remaining 16 issues were identified as “important” and “less important” issues.



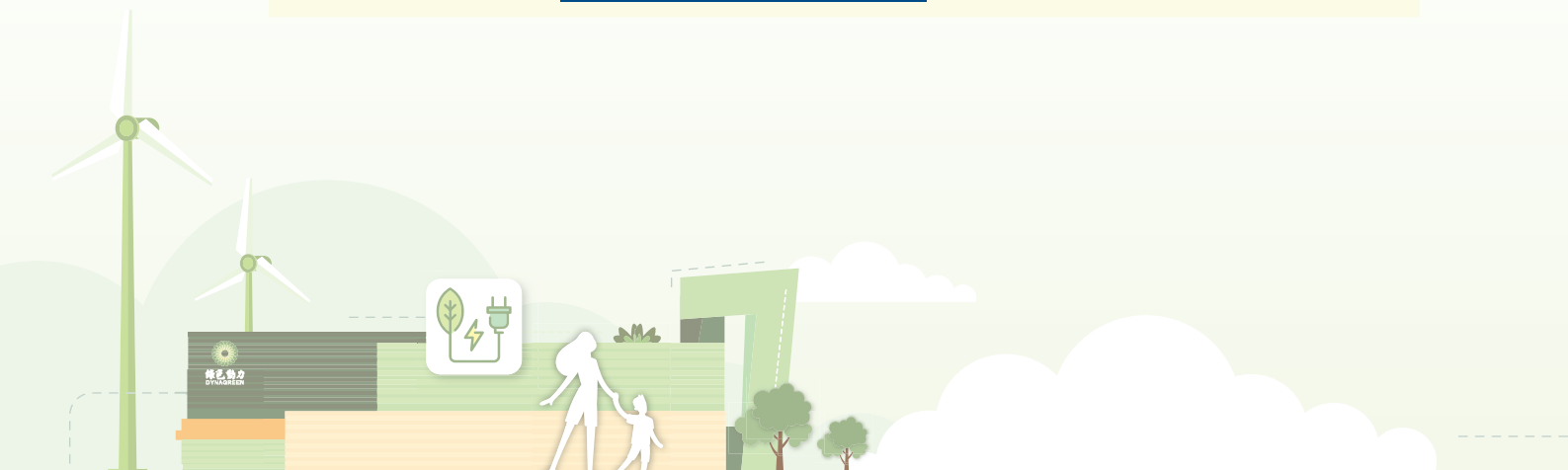
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No.	Issue	Importance	No.	Issue	Importance	No.	Issue	Importance
3	Environmental compliance		6	Dealing with climate changes		24	Charity	
14	Production safety		7	Sewage treatment		25	Community investment	
4	Exhaust emissions		17	Development and training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


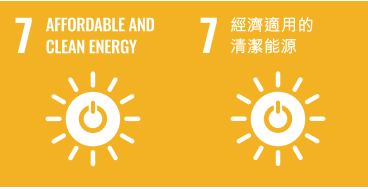






2.5. Response to the Sustainable Development Goals of the United Nations

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

Sections	SDGs	Actions of Dynagreen
Corporate governance		Establish an effective and standardized governance system, and strengthen the standardization and effectiveness of corporate governance



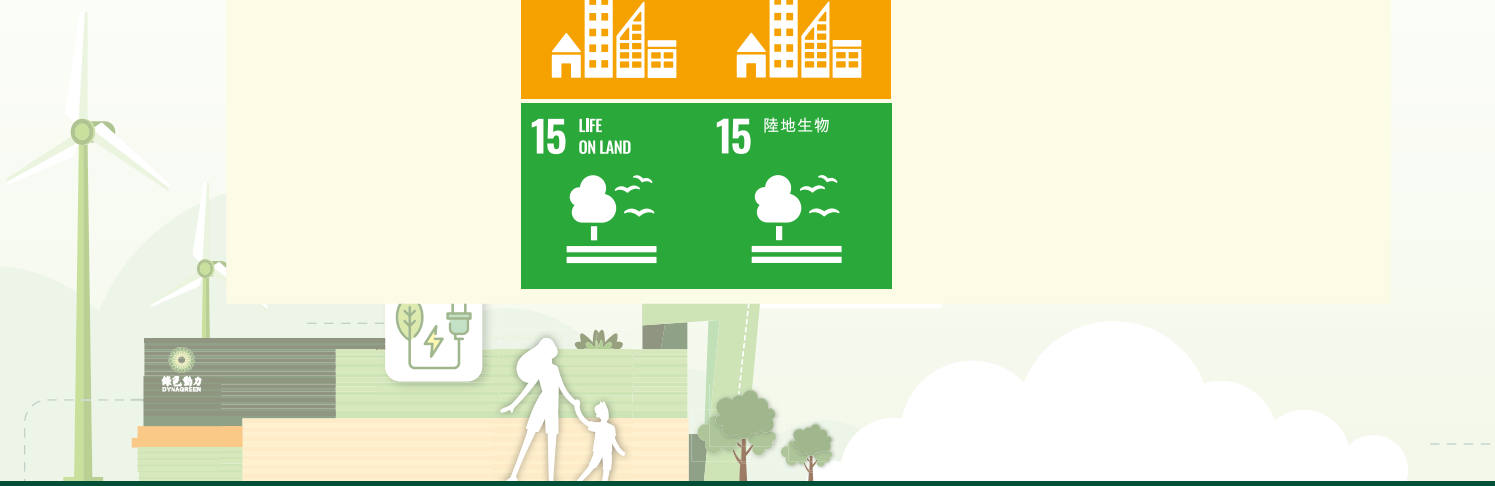
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Sections	SDGs	Actions of Dynagreen
Environmental protection	  	<p>Take practical and feasible environmental measures to ensure compliant discharge of all pollutants, and identify and appropriately respond to climate-related risks</p>
Employee management	    	<p>Implement production safety management, protect the legitimate rights and interests of employees, optimize salary and welfare benefits, and improve the training system</p>



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

Sections	SDGs	Actions of Dynagreen
<p>Product responsibility</p>	<p>7 AFFORDABLE AND CLEAN ENERGY 7 經濟適用的清潔能源</p> 	<p>Stabilize power supply management, achieve breakthroughs in technological innovation, promote intelligent transformation, achieve safe, stable and efficient operation of boilers, and standardize business supply chain management</p>
	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 9 產業、創新和基礎設施</p> 	
	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION 12 負責任消費和生產</p> 	
	<p>17 PARTNERSHIPS FOR THE GOALS 17 促進目標實現的夥伴關係</p> 	
<p>Community welfare</p>	<p>1 NO POVERTY 1 無貧窮</p> 	<p>Improve community infrastructure, provide public services and donations, participate in community construction, and practice environmental public welfare actions</p>
	<p>2 ZERO HUNGER 2 零飢餓</p> 	
	<p>11 SUSTAINABLE CITIES AND COMMUNITIES 11 可持續城市和社區</p> 	
	<p>15 LIFE ON LAND 15 陸地生物</p> 	



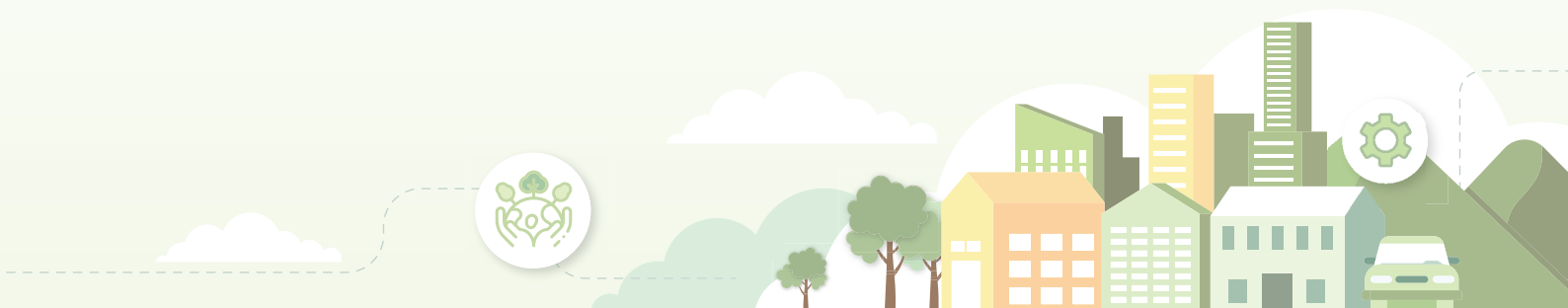
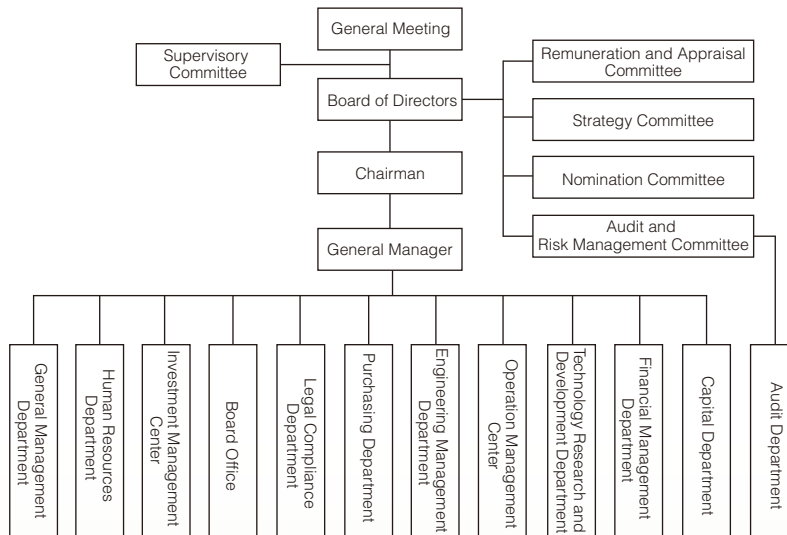
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3. CORPORATE GOVERNANCE

3.1. Governance Structure

The Group has established a sound corporate governance system to ensure the sound and stable operation of the Group, including the general meeting, the supervisory committee and the board of directors: the general meeting is the highest authority of the Company and is composed of all shareholders. It makes decisions on major business matters of the Company and provides an effective way for the shareholders to participate in corporate governance. The general meeting shall exercise various functions and powers according to laws; the supervisory committee is the body that supervises the board of directors and senior management of the Company. The supervisory committee of the Group consists of three supervisors; the board of directors is composed of nine directors who are accountable to the general meeting and are elected or replaced by the general meeting for a term of three years. Functional departments include General Management Department, Investment Management Center, Human Resources Department, Board Office, Legal Compliance Department, Purchasing Department, Engineering Management Department, Operation Management Center, Technology Research and Development Department, Financial Management Department, Capital Department, and Audit Department.

Management organization structure diagram:



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3.2. Business Ethics and Anti-corruption

The Group promotes integrity and rejects corruption, and it resolutely opposes corruption, fraud, bribery, obtaining illicit benefits, abuse of power, embezzlement, material omission, false statement, etc. Adhering to the principles of “combining punishment with prevention and prevention as the first priority”, the Group has established and improved a sound integrity management system, strengthened the publicity of integrity culture, and carried out training and concentrated learning on integrity. Meanwhile, it continuously improves the anti-corruption and anti-fraud mechanism and smooth channels for whistle-blowing and evidencing to prevent erroneous ideas at the outset and effectively fulfills the responsibility of supervision, to always maintain the effectiveness and efficiency of anti-corruption work.

3.2.1 Integrity System Management

The Group is committed to creating a good working atmosphere, establishing a sound anti-fraud mechanism, and carrying out anti-fraud work from various aspects such as prevention measures, collaboration, whistle-blowing channels and cultural environment. The Group strictly abides by laws and regulations including the Anti-Unfair Competition Law of the People's Republic of China, the Anti-Money Laundering Law of the People's Republic of China and the Interim Provisions on the Prohibition of Commercial Bribery, and has formulated a series of policies, systems and measures including the *Ten Rules on Employee Behavior of Dynagreen* (《綠色動力員工行為十誡》), the *Three Importance and One Greatness Collective Decision Making Management System* (《三重一大集體決策管理制度》), the *Management System for Regulating Capital Flow with Related Parties* (《規範與關聯方資金往來的管理制度》), the *Decision Making System for Non-Ordinary Business Transactions* (《非日常經營交易事項決策制度》), the *Anti-fraud and Whistle-blowing System* (《反舞弊與舉報制度》) and other business ethics and anti-corruption systems.

The Audit Department of the Group is mainly responsible for the daily anti-fraud work and risk assessment, and regularly reports to the Audit and Risk Management Committee of the Board. We pay attention to the operation effectiveness of the integrity system and constantly strengthen the integrity management capacity of cadres and employees, to prevent and resolve the risks of integrity, strictly observe discipline and assign responsibilities, and form an efficient integrity system with integrity in terms of thinking, behavior and system. Meanwhile, the discipline inspection department under the discipline inspection committee of the Group is responsible for the construction and promotion of anti-corruption system, and the integrity alert posters are issued before important holidays. We hold the integrity reminder meeting before New Year's Day, Spring Festival, Mid-Autumn Festival, National Day and other festivals to create an atmosphere of clean holidays. We have included in the staff assessment mechanism a one-vote veto clause for cases with integrity problems, to strictly standardize the selection and appointment process of assessment managers, to promote the “culture of integrity” and prevent fraud.

The Group has smooth corruption whistle-blowing channels and implements protection measures for whistle-blowers. We have an employee whistle-blowing mechanism that supports whistle-blowing by employees through phone, email, letter, etc., while protecting all those who make complaints or reports and whistleblowers from any unlawful discrimination or retaliation. Hostile actions against employees involved in inspections are also prohibited.



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3.2.2 Promotion of Integrity Culture

In order to strengthen the construction of corporate integrity culture, improve the awareness of integrity and self-discipline of Party members and cadres, and proactively respond to the spiritual requirements of BSAM’s “promoting clean culture and integrity culture and creating a clean and upright BSAM”, during the reporting year, the Group carried out the integrity culture education and publicity month activity in the third quarter, during which four activities of establishing integrity by thinking, cultivating integrity by culture, promoting integrity by education, and supporting integrity by family tradition were conducted to train Party members and cadres to establish a sense of integrity, deeply understand the significance of the construction of integrity culture, and create a good atmosphere of integrity culture.

Establishing integrity by thinking

We regarded the in-depth study of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era as a major long-term political task, included the important discussion of General Secretary Xi Jinping on the construction of the Party conduct and of an honest and clean government and integrity culture in the “first issue” study plan of the meetings of all Party branches, and organized Party members and cadres to participate in integrity education, study and discussion, to constantly consolidate the ideological foundation of honesty and integrity.

Promoting integrity by education

We carried out education in law and discipline to promote performance of duties and activities in relation to education in law and discipline, and tested educational achievements by means of knowledge testing, etc.; we enriched the integrity communication matrix, and created a comprehensive integrity position carrier based on the Group’s “Integrity Dynagreen” journal, OA office system and the landscape signs at the company’s office locations, corridors and rooms.

Cultivating integrity by culture

To carry forward the advanced culture, we relied on integrity cultural resources and integrity education bases around Party branches to carry out in-depth revolutionary traditional education on major Party and national festivals and anniversaries, and organized Party branches to visit the education bases.

Supporting integrity by family tradition

For Party members, leading cadres and family members in the enterprise, we carried out the clean family construction and “integrity message • inheritance of family tradition” initiative activity, and encouraged family members to proactively participate in the construction of corporate integrity culture.



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Case Share

- Calligraphy and painting works of participants of the integrity culture education and publicity month activity

During the integrity culture education and publicity month activity of Dynagreen Group in the period from August to October 2023, the Discipline Inspection Studio of the Group organized subordinate units to carry out a number of integrity education activities, with the theme of “integrity in my heart”, and widely collected excellent works of the employees of Dynagreen on their understanding of integrity value, which received great attention. Employees of the Group and their families proactively signed up to participate in the activity and offered all kinds of calligraphy and painting works, reflecting the correct value orientation of integrity and building a good atmosphere of advocating morality and integrity.



In order to continuously enhance the awareness of integrity in work of Party members, cadres and employees of the Group, continue to build a strong ideological defense line against corruption and change, and promote the Group to comprehensively and strictly govern the Party in depth and breadth, we organized massed learning on discipline inspection system and carried out training on integrity for 4 times, for a total of 435 trainees. Through online and offline modes and various forms including Party lessons, collective talks on integrity, special seminars, etc., cadres and employees were reminded to strictly abide by discipline rules at all times, strengthen self-discipline, establish a firm sense of discipline, and cultivate discipline consciousness.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

Case Share

- Dynagreen Group held Party lectures and collective talks on integrity

On 6 July, the Secretary of the Discipline Inspection Committee of Dynagreen Group spoke at the Party class and held a collective talk meeting on integrity at which the amended Anti-fraud and Whistle-blowing System of Dynagreen Environmental Protection Group Co., Ltd. was publicized and participants watched videos on integrity education, to remind participants to lead and drive all cadres and employees of the Group to constantly purify their work circle, circle of friends, and strictly observe the bottom line of discipline.



- Dynagreen Group held learning of the Group’s discipline inspection system and integrity reminder meeting before festivals

On 27 September, Dynagreen Group held a meeting for collective learning of the Group’s discipline inspection system, for collective learning of relevant documents, publicity of the Group’s disciplinary supervision program in relation to general election and integrity reminder before the “Mid-Autumn Festival and National Day”. The participants were required to continuously study political theory, pay attention to strengthening the construction of corporate integrity culture, and play a leading and exemplary role, to promote the “change of style” in a better way.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

Case Share

- Dynagreen Group held a symposium on discipline inspection system

On 21 November, Dynagreen Group held a symposium on discipline inspection system, at which participants collectively watched warning education films and learned the investigation content of the secretary of the Central Commission for Discipline Inspection. Through the way of discussion, participants were guided to find out the emergence and tendency of problem as early as possible, identify problems at the outset, conduct reflection and analysis, and make correction in a timely manner to prevent the risk of integrity.



4. ENVIRONMENTAL PROTECTION

4.1. Environmental Management System

Dynagreen regards environmental protection as the cornerstone of sustainable operation of business activities, and adheres to the corporate mission of “creating a better living environment”. As an environmental protection company, we always practice the concept of sustainable development, constantly improve the internal environmental management system and optimize the environmental management system.

Adhering to the principle of “prevention as top priority and combining prevention with governance”, we implements “three simultaneities” policy” for environmental protection facilities, conducts environmental supervision and management through government supervision, social supervision, and enterprise internal control, and has obtained environmental management system certification. We strictly supervise the emission and disposal of exhaust gas, wastewater, noise, and solid waste of each of its operating project companies, to make sure the emission and disposal fulfilling national requirements to prevent environmental pollution. The Group also strives to reduce the emission of pollutants to safeguard the health of employees and make contributions to the construction of a “waste free city”.

The Group proactively responds to relevant national laws and regulations including the *Measures for Administrative Punishment of Ecological Environment* (《生態環境行政處罰辦法》), the *Technical Specification for Statistics of Ecological Environment – Statistics of Emission Sources* (《生態環境統計技術規範排放源統計》) (HJ772-2022), the *Emission Standards for Domestic Waste Incineration* (《生活垃圾焚燒排放標準》) (DB12_1101-2021), the *Standards for Hazardous Waste Storage Pollution Control* (危險廢物貯存污染控制標準) (GB18597-2023), the *Technical Specification for Quality Verification of Pollutant Discharge Permit* (《排污許可證質量核査技術規範》) (HJ 1299-2023), and has formulated the Environmental Protection Management System of Dynagreen Group to monitor the whole process of environmental protection during construction and production. In addition, we also conducted independent monitoring in strict accordance with the requirements of the *Self-monitoring Technology Guidelines for Pollution Sources – General Rule* (《排污單位自行監測技術指南總則》) (HJ819-2017) and the *Technical Guide for On-Site Supervision and Inspection of Domestic Waste Incineration Power Plants* (《生活垃圾焚燒發電廠現場監督檢查技術指南》) (HJ1307-2023).



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In addition, we organized and implemented environmental protection and improvement measures in the production area of each operating project company and urged them to incorporate environmental protection into their plans. The first person responsible for the Group’s environmental protection management is the general manager of the Group, and the person directly responsible for the environmental management of the Group’s operation projects is the deputy general manager in charge of operation. The operation and management centre of the Group supervises and manages the environmental protection management of the Group’s operating projects. The operating project companies shall set up an environmental leading group comprising the general manager (as the group leader), the deputy general manager of production/director of safety and environmental protection, department managers, specialist engineers and shift chief operators, which specifies their respective duties in environmental management, to cover the responsibility system in every part of the production. The safety and environment department of a project company is mainly responsible for the daily supervision of the environmental protection work of that project company to strengthen evaluation and accountability.

We advocate employees to comply with national regulations relating to environmental protection, perform obligations in environmental protection and curb any behaviours that pollute or damage environmental on time. In order to prevent the occurrence of environmental pollution accidents, we also proactively take control measures on various potential sources of environmental pollution. We require our waste-to-energy power plants to conduct regular on-site inspections and unscheduled inspection on safety and environmental protection and environmental protection. We regard operation in compliance with the laws and regulations relating to environmental protection as the basis of the waste-to-energy business of Dynagreen, are fully aware of the importance of compliance with national environmental laws and regulations, and always strictly regulate our own pollutant emission management. To this end, all of our business departments earnestly implement the environmental protection policies formulated by the Group, to ensure compliant operation.

During the Year, the Group neither had serious violations of environmental laws and regulations, nor did it receive any major complaints related to environmental protection. For details of the environment-related laws and regulations that have a significant impact on Dynagreen Group, please refer to “Appendix 4. Compliance with relevant laws, regulations and rules that have a significant impact on Dynagreen”.

Case Share

➤ Hazardous waste (fly ash) spill emergency drill

On 28 June 2023, in order to improve personnel’s ability to respond to environmental emergencies, the Group organized relevant personnel to conduct emergency drills through simulated accidents for the production curing and equipment of fly ash of the Group in accordance with the management objectives of environmental protection, and introduced the hazard identification knowledge, first aid measures, leakage treatment methods, etc. for hazardous waste (fly ash). The emergency drill effectively helped the Group prove the feasibility of its emergency plan, alarm and personnel emergency evacuation procedures, helped employees understand the necessary emergency operations, and further enhanced the ability of production safety and environmental emergency treatment.



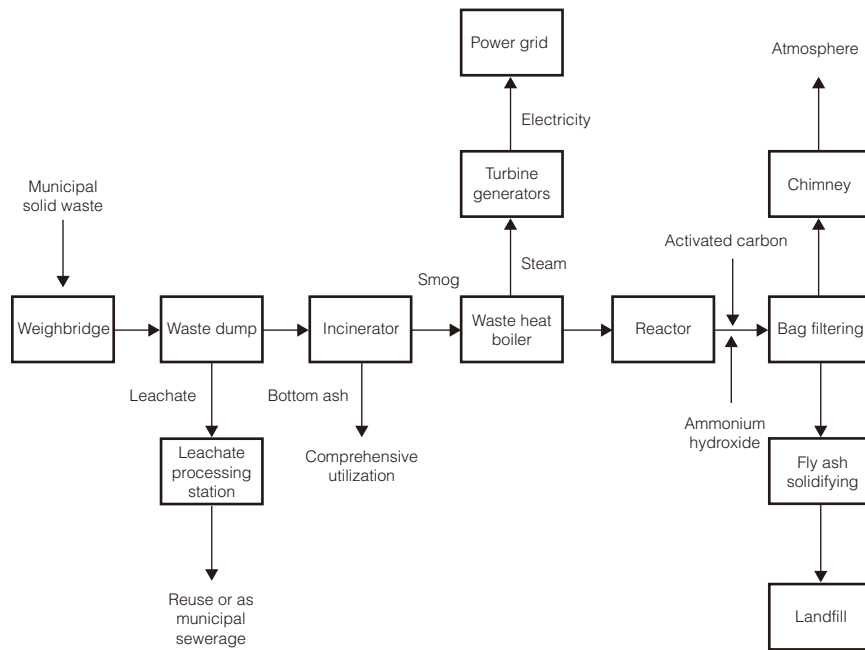
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4.2. Environmental Pollution Prevention and Control

The exhaust, wastewater (leachate from waste dump and sewage), solid waste (fly ash) and noise from operating equipment produced by the Group during waste treatment and incineration are the major pollutants that affect the environment. The Group attaches great importance to environmental protection, develops internal pollutant emission targets and pollution source management measures, and adopts leading pollution prevention technology and strict pollution prevention measures.

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

Specific Process of Waste-to-energy Business



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

4.2.1 Waste Gas Emission

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

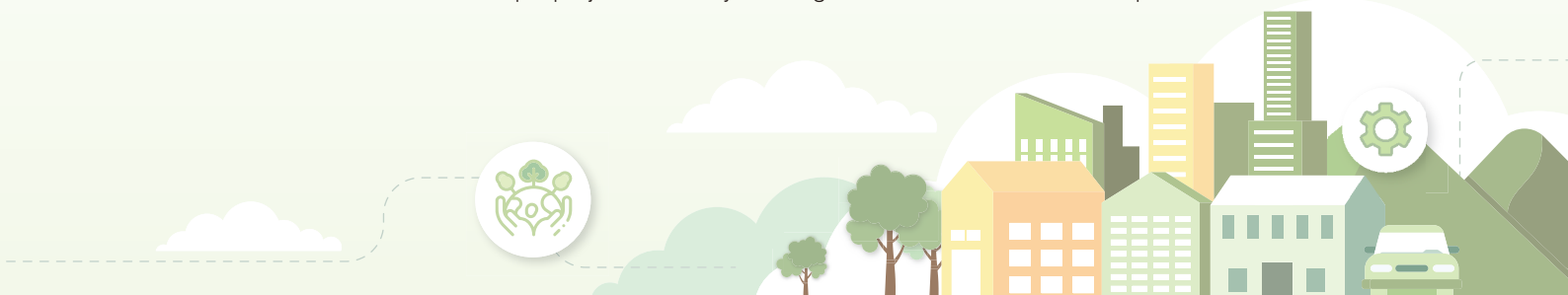
To reduce the impact of air pollution and odour, Dynagreen proactively implements prevention and control measures. We require all project companies implement treatment process including desulfurization, denitration, adsorption of dioxin by activated carbon and bag filtering, and regularly maintain and update the environmental protection equipment and facilities to ensure that the emissions meet the environmental standards. We implement strict control over the discharge of dioxins, and require the dioxin emissions of all projects to be lower than 0.1ng-TEQ/Nm³ required by the *Standard for Pollution Control on the Municipal Solid Waste Incineration* (《生活垃圾焚烧污染控制标准》) (GB18485-2014). Before commencing commercial operation, the projects in trial operation must file an application with the competent administrative authority of environmental protection for environmental protection acceptance, which includes a dioxin emission inspection report prepared by a qualified third party; dioxin emission levels for projects in commercial operation are also regularly inspected by such qualified third parties and the local environmental protection agency. During the Reporting Period, all the project companies of the Group passed the dioxin monitoring organized by the Ministry of Ecology and Environment of the PRC.

We are interconnected with the monitoring system of the Ministry of Ecology and Environment of the PRC for online monitoring of the waste-to-energy power plants of the Group, and set LED screens at the gate of the waste-to-energy power plants to publicize the five pollution factors of particulate matter, sulfur dioxide, nitrogen oxide, carbon monoxide, hydrogen chloride of each incinerator and furnace temperature monitoring data. Besides, we monitor the addition amount of activated carbon in real time and proactively implement technological transformation for the activated carbon addition system to ensure continuous and stable addition of activated carbon. In addition, project companies have upgraded and conducted ultra-low emission transformation for the deacidification system and active continuous injection equipment, to strictly control exhaust gas emissions below national standards, reduce the risk of environmental protection inspection, and further ensure compliance in discharge.

Care Share

- Denitration, deacidification and deamination process renovation project of Yongjia Company

In June 2023, the polymer denitration process in incinerator, the baking soda deacidification process in incinerator, and the deamination process outside the incinerator for the incinerator of Yongjia Company passed acceptance and were officially put into use. In order to implement the renovation project, the company invested RMB1.80 million in polymer denitration, RMB3.122 million in baking soda deacidification and RMB2.22 million in SCR deamination outside the incinerator. With the input of the new processes in the incinerator, the nitrogen oxide was controlled within 80mg/Nm³ and the ammonia escape was controlled within 2.5mg/Nm³, and the hydrogen chloride and sulfur dioxide indicators were far lower than the national standards. This measure reduces the possibility of environmental protection incidents, laying a solid foundation for the Group's projects to stably meeting standards on environmental protection indicators.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

The Group has also taken measures to restrain odour emissions in the local regions for project companies, including:

- ✓ sealing the waste discharge area besides the discharge opening;
- ✓ installing deodorization devices;
- ✓ rerouting air from the waste storage dump to the incinerator for combustion to maintain negative pressure in the waste storage dump;
- ✓ piping leachate to a leachate treatment station for processing to prevent the dissipation of odours emitted from leachate into the surrounding environment.

4.2.2 Wastewater Treatment

The wastewater generated by the Group is mainly landfill leachate, as well as some cleaning wastewater, acid and alkali wastewater and a small amount of domestic sewage. As the wastewater content received by the plants is high and leachate emanates from stored waste, we take landfill leachate as the key wastewater for collection and treatment. Landfill leachate mainly comprises highly concentrated dissolved organic matter and inorganic ions, including large amounts of ammonia nitrogen, soluble cations, heavy metals, phenols, soluble fatty acid, and other organic pollutants. In addition, the waste unloading platform in project plants generates cleaning wastewater regularly. Chemical water desalination workshops produce acid and alkaline wastewater and also a small amount of domestic sewage.

The Group collects and treats wastewater in strict accordance with the environment impact assessment report and the approved leachate discharge limits. Firstly we have modified the leachate concentrate recirculation spraying hearth to reduce discharge of leachate; secondly we adopt biochemical system, ultrafiltration (UF), nanofiltration (NF), reverse osmosis and other technologies for wastewater treatment; lastly the treated wastewater that meets the level III discharge standards of the national *Integrated Wastewater Discharge Standard* (《污水綜合排放標準》) (GB8978-1996) will be discharged into the municipal sewage network and handed over to the municipal sewage plant for further treatment.

In order to reduce the final discharge of sewage, recycled and reclaimed wastewater from plants is used as cooling water for waste-to-energy facilities or used for landscaping in the plant site. Besides, through technical transformation, the concentrated water reprocessing system (DTRO) is added to further reduce the volume of concentrated water production or sewage recycling treatment equipment is installed to achieve zero sewage discharge. In 2023, the Group's project companies in Huiyang, Huizhou and Tongzhou, Beijing achieved “zero sewage discharge”.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

4.2.3 Waste Management

Solid Waste Treatment

The solid waste produced by the waste-to-energy projects of the Group mainly includes bottom ash and fly ash from incinerator and sludge from the treatment of leachate wastewater. We handle waste carefully and closely monitor waste generation and treatment to reduce the negative impact on the environment.

The Group has transfer forms and ledger records for solid waste transfer. The output of fly ash and bottom ash are weighted and recorded by the Group every day. The Group ensures a sealed environment in the transportation process without any dispersal, to keep the transportation channels for fly ash and bottom ash clean and unobstructed. Reasonable comprehensive recycling is conducted for the final treatment of fly ash, bottom ash and sludge.

Fly ash, bottom ash and sludge treatment measures

Fly ash treatment measures

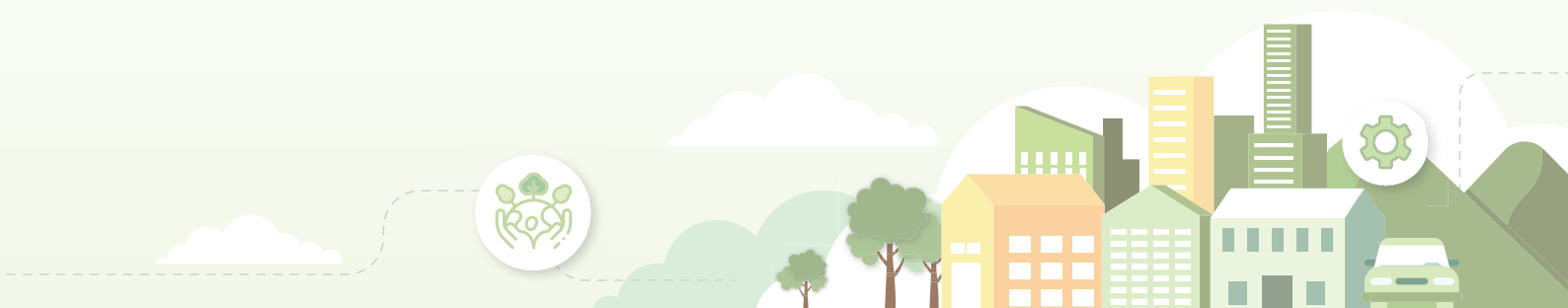
The fly ash generated after waste incineration is subject to collection in a closed way and then sent to landfills by transportation units with corresponding transportation capacity after it meets the standards under the Emission Standards for Domestic Waste Incineration (《生活垃圾焚烧排放标准》) (DB12_1101-2021) and the Standard for Pollution Control on the Landfill Site of Municipal Solid Waste (《生活垃圾填埋场污染控制标准》) (GB16889-2008) after solidification with chelating agent and cement.

Bottom ash treatment measures

After cooling, magnetic separation and deferrization, the bottom ash produced after the incineration of municipal waste is stored in a room and then delivered by disposal units to a third-party company for brick making. The bottom ash storage area is equipped with anti-seepage measures. Meanwhile, the Group's staff inspects bottom ash every day and makes proper records to ensure that the ignition loss rate of bottom ash is lower than 5%.

Sludge treatment measures

The sludge generated by Dynagreen is disposed by the sewage treatment system of project companies and returned to the waste store after pressure filtration and dehydration, then independently incinerated in the project after mixing with the waste evenly.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

Hazardous Waste Treatment

Waste oil and lubricating oil of equipment are the main hazardous waste of the Group. In accordance with the *Standard for Pollution Control on Hazardous Waste Storage* (《危險廢物貯存污染控制標準》) (GB18597-2023), we require hazardous waste to be stored in compliance with regulations, establish hazardous waste storage rooms and carry out leakage prevention treatment on the ground. The waste is regularly handed over to qualified treatment units for treatment and we retain hazardous waste transfer forms according to regulations.

4.2.4 Noise Prevention and Control

Turbine generators and other ancillary facilities are the Group’s major sources of noise. In strict accordance with the provisions of the *Emission Standard for Industrial Enterprises Noise at Boundary* (《工業企業廠界環境噪音排放標準》) (GB12348-2008), we always pay attention to and monitor the noise and major sources of noise pollution at the factory boundary, factory zone and living area during the construction process. To reduce noise pollution, we have set up noise prevention and control measures to effectively strengthen noise management. During the Reporting Period, the monitoring cycle and monitoring results were all in compliance with the *Emission Standard for Industrial Enterprises Noise at Boundary* (《工業企業廠界環境噪音排放標準》) (GB12348-2008) and the national requirements.

Environmental Emission Data

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



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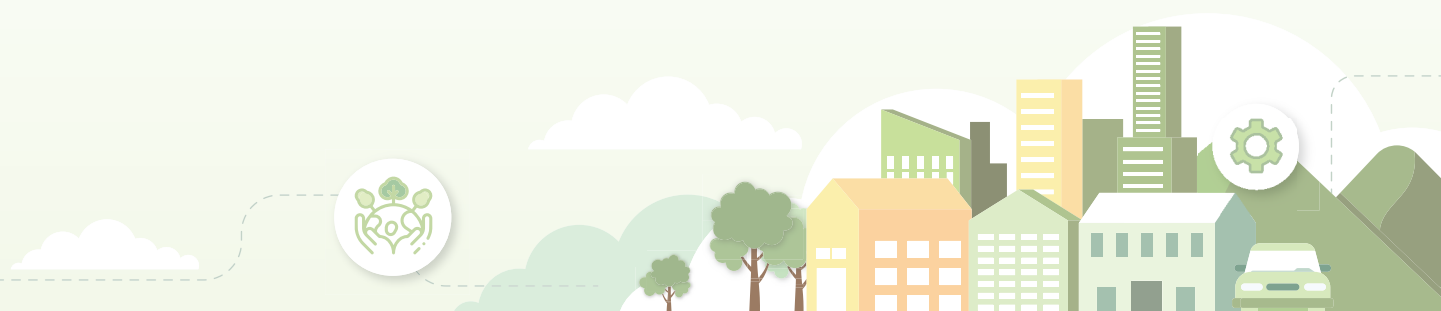
4.2.5 Environmental Emission Data

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

Environmental emissions (Project companies)*	Unit	2023	2022	2021
Total sewage discharge (The total sewage discharge to the outside of operating sites)	tons	658,958	708,278	416,006
Total COD emissions	tons	11	21	35
Exhaust emissions				
Nitrogen oxide	tons	5,256	4,799	4,640
Sulphur dioxide	tons	1,203	922	721
Particulates	tons	139	125	130
Hydrogen chloride	tons	668	589	492
Solid hazardous waste (fly ash chelates waste oil drums, waste cloth bags, etc.)	tons	429,122	353,242	311,367
Liquid hazardous waste (waste lubricating oil, lubricating oil, waste mineral oil, etc.)	tons	47.93	27	31
Solid hazardous waste (slag and paper)	tons	3,382,776	2,707,064	/
Emissions exceeding environmental protection standards	times	0	1	0
Fines and prosecutions due to noncompliance with environmental protection laws and regulations **	times	1	2	0

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

** On 4 April 2023, Pingyang Dynagreen Environmental Energy Co., Ltd., a subsidiary of Dynagreen, received an environmental penalty sheet from Wenzhou Ecological Environment Bureau. As the environmental protection facilities of supporting construction of Pingyang Dynagreen Environmental Energy Co., Ltd. were put into production without passing acceptance, according to clause 1 of Article 19 of the Regulations on the Management of Environmental Protection of Construction Projects, Pingyang Dynagreen Environmental Energy Co., Ltd. was fined RMB360,000.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

4.3. Use of Resources

4.3.1 Water Resources

Water is one of the main natural resources used in the Group’s waste-to-energy business. We use a large amount of high-temperature and high-pressure steam to drive the turbine generator to produce electricity. Therefore, saving the use of water resources and improving the utilization efficiency of water resources have a significant impact on the Group. The Group implements the concept of water conservation, regularly carries out clean production, to reduce the water consumption per unit power generation of each project plant, and further reduces water consumption by recycling wastewater after treatment. At present, the head office and project companies of the Group have no difficulty in obtaining water.

Case Share

- Project of technical renovation of cooling water for feed water pump of Changzhou Company

In 2023, Changzhou Company changed the original pump cooling water from industrial water to desalted water in order to reduce the water refill rate. After cooling, the desalted water is piped to the recovery tank from the cooling water pipe, and is then sent to the drain tank through the recovery pump. After that, it is sent by the drain pump to the deaerator for recycling and reuse. At present, the cooling water of the four feed pumps is adjusted to 5t/h, and 120 tons of desalted water is recovered every day, and it is expected to recover about 43,200 tons a year. According to the current desalted water cooling volume, the technical renovation of the feed pump cooling system will save about 43,200 tons of industrial water a year.

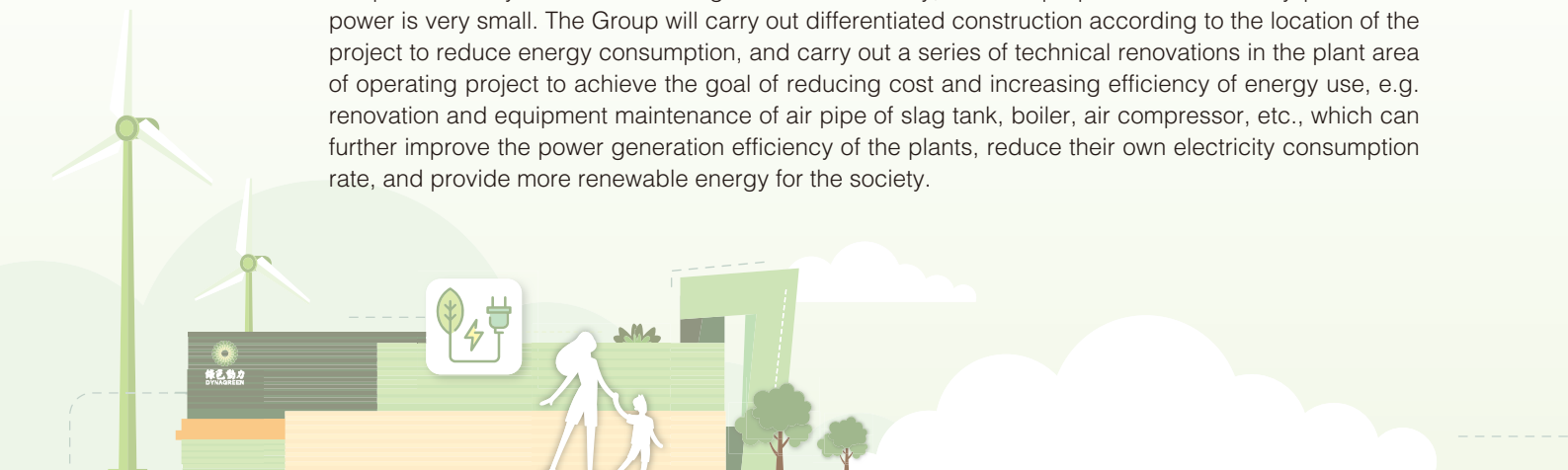
Case Share

- Mountain stream water and nullah water recycling project of Yongjia Company

In 2023, Yongjia Company recycled mountain stream water and nullah water, and the recovered water quality was better than that of river water, which greatly reduced the amount of river water withdrawn and the daily urban water recharge and made full use of the surrounding water resources. In 2023, through the project, Yongjia Company saved 99,600 tons of river water (lake water) and 9,800 tons of urban tap water.

4.3.2 Energy

As a renewable energy enterprise engaged in the waste-to-energy business, electricity is the energy generated during the operation of the Group’s project plants. Therefore, the power consumption of our plants mainly comes from self-generated electricity, and the proportion of externally purchased power is very small. The Group will carry out differentiated construction according to the location of the project to reduce energy consumption, and carry out a series of technical renovations in the plant area of operating project to achieve the goal of reducing cost and increasing efficiency of energy use, e.g. renovation and equipment maintenance of air pipe of slag tank, boiler, air compressor, etc., which can further improve the power generation efficiency of the plants, reduce their own electricity consumption rate, and provide more renewable energy for the society.



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Case of reducing power consumption rate in plant area

- Water-saving technical renovation of installing frequency converter for the raw water pump and reverse osmosis booster pump in the chemical water workshop of Tongzhou Company

Frequency converter was installed for the raw water pump and reverse osmosis booster pump in the chemical water workshop of Tongzhou Company. By adjusting the frequency to control the water production of the equipment, the water requirement and equipment output of individual equipment in a single set of desalted water process line were maintained at a constant level, avoiding the problem of increased displacement caused by repeated start and stop of individual equipment due to excessive output. Under the operation conditions of three boilers, the demand of desalted water was 160m³/d, and the chemical water system reduced the low-concentration sewage by about 20~30m³/d through frequency conversion control. This initiative greatly alleviated the pressure on water resources and the burden on low-concentration sewage treatment system. In 158 days of operation after renovation of installing frequency converter for the raw water pump and reverse osmosis booster pump, 3,606.9kWh of electricity was saved. Calculated at RMB0.65 per kWh for electricity charge, the cost of approximately RMB2,344 was saved.

Case of saving electricity cost

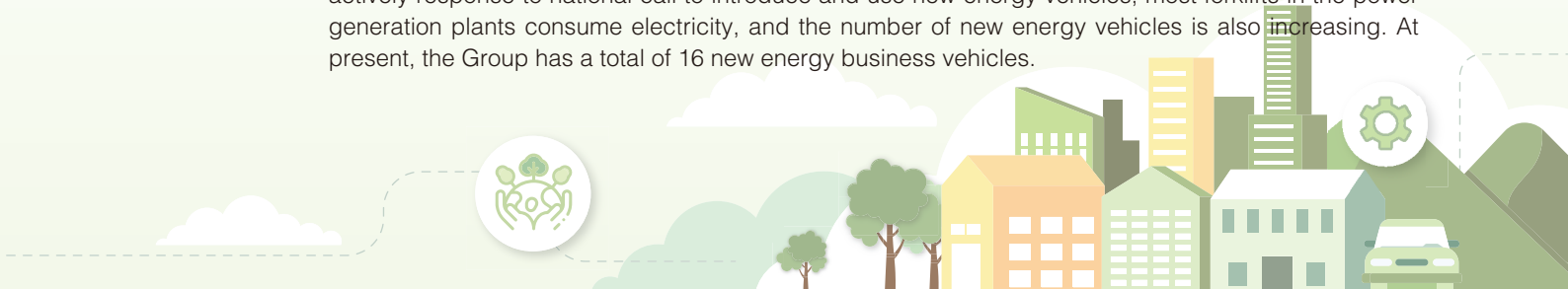
- Renovation of magnetic levitation fan of Tongzhou Company

In August 2023, the installation and commissioning of magnetic levitation fan were completed for the sewage system of Tongzhou Company. The magnetic levitation fan has the advantages of energy saving and high efficiency, no lubrication, no mechanical maintenance, low vibration and low noise, etc. Compared with Roots fan, the magnetic levitation fan has obvious advantages in terms of operation, maintenance and power consumption savings, and the annual cost savings of a single machine is about RMB305,400. Long-term operation can really achieve energy saving and consumption reduction, and reduce manual maintenance costs.

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

In 2023, the power generation of waste incineration reached 4.74 billion kWh, and the electricity consumption rate of the comprehensive plant was 16.24%, representing a decrease of 0.98% from 17.22% for 2022, mainly because the project companies seriously carried out energy conservation and consumption reduction work, and strengthened the management of non-production electricity and regulation equipment, etc.,

In addition, the major fuels consumed by the Group are mainly natural gas and diesel. Natural gas is used for boiler combustion, and diesel is used for boiler combustion, mechanical equipment, and vehicles. The Group conducts daily maintenance to ensure that the production equipment is in good operating conditions to reduce waste of fuel. Meanwhile, to reduce fuel consumption of vehicles, we actively response to national call to introduce and use new energy vehicles, most forklifts in the power generation plants consume electricity, and the number of new energy vehicles is also increasing. At present, the Group has a total of 16 new energy business vehicles.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

4.3.3 Other Resources

Municipal waste is an important resource for our power generation business. The Group proactively promotes the construction of “waste free city” to strengthen the energy conversion of municipal waste. In the process of operation, through cooperation with the government and business partners, we continue to optimize the treatment and utilization mode of municipal waste, to promote detoxification, reduction and recycling of domestic waste in the area where the project is located, and make contributions to the national ecological governance.

Case Share

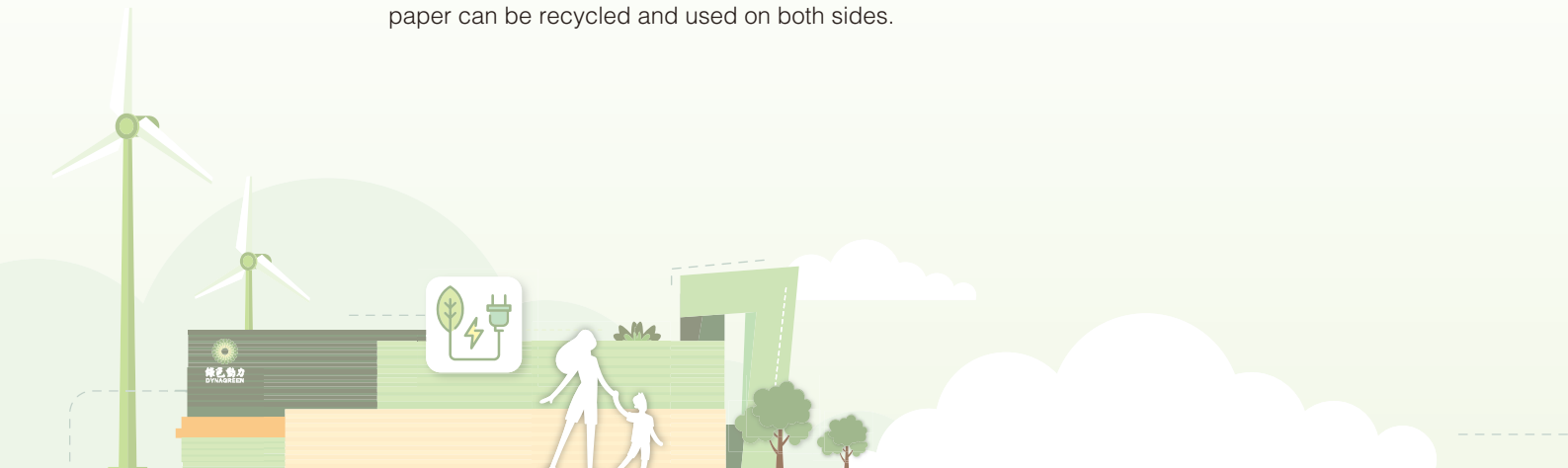
- PPP (public-private partnership) project of harmless treatment of kitchen waste of Huizhou Company

Huizhou Company adopted the processing technology of "material receiving system + large material sorting system + pulping system of fine pulping machine + impurity separation system + wet heat hydrolysis system + oil separation, recovery and purification system + material conveying and storage system" for kitchen waste to achieve detoxification, reduction and recycling of kitchen waste.



In addition to water and energy conservation, the Group also practices green operations in the areas of accommodation and office, and actively carries out a series of resource conservation actions, such as:

- ✓ For the self-owned canteens of the project companies of the Group, we promote the “empty plate campaign” to reduce food waste;
- ✓ For the Company’s printers, we implement hierarchical management of colour printing authority to reduce waste toner cartridges and waste ink boxes;
- ✓ For office paper, we use special wastebaskets to collect used paper so that non-confidential paper can be recycled and used on both sides.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

4.3.4 Resources Use Data

Use of resources (The Group’s head office)	Unit	2023	2022	2021
Electricity consumption at the Group’s head office	kWh	242,083	223,864	236,669
Water consumption at the Group’s head office	tons	3,175	3,595	2,702
Use of resources (project companies)*	Unit	2023	2022	2021
Waste treated	tons	12,269,331	11,312,400	9,705,956
Electricity generated	'0,000 kWh	474,363.13	417,686.35	378,468
Electricity consumption at plants	'0,000 kWh	77,042	71,935	62,998
Water withdrawal	tons	20,009,004	17,838,242	15,083,934
Natural gas for boilers	m ³	448,892	391,048	436,611
Diesel for boilers	tons	9,261	7,974	5,882
Diesel for machinery and vehicles*	tons	189.29	203.26	71

* Boiler energy consumption increased due to the increase in the amount of waste processed by the project.

4.4. Dealing with Climate Changes

4.4.1 Greenhouse Gas Emissions

Waste-to-energy business with domestic waste as the main power generation fuel is the main business of Dynagreen. The power generated by the Group is renewable. In particular, Changzhou Project has obtained the green power certificate. The industry is featured by circular economy and sustainable development. We help the society reduce greenhouse gas emissions through the operation mode of waste recycling and implements the national “3060” goals.

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



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

In 2023, the specific greenhouse gas emission data of the Group are mainly shown in the table below:

Greenhouse Gas Emissions	Unit	2023
Scope 1		
Fuel combustion (natural gas and diesel)	Tons of carbon dioxide equivalent	28,068
Scope 2		
Purchased electricity (head office in Shenzhen)	Tons of carbon dioxide equivalent	138.06
Total emissions	Tons of carbon dioxide equivalent	28,206
Total emission intensity	Tons of carbon dioxide equivalent	7.13

The waste-to-energy technology of the Group can significantly reduce greenhouse gas emissions compared with traditional landfilling and composting processes. It can significantly reduce the methane produced by traditional waste disposal methods, thus effectively alleviating the greenhouse effect for the society. During the Year, compared with traditional waste disposal processes, the waste-to-energy business of Dynagreen can reduce greenhouse gas emissions by 4,715,245 tons, which has positive benefits for the realization of carbon peak and neutrality goals of the state.

4.4.2 Analysis on Climate Risks

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

The Group's short, medium and long-term climate risks include physical risks and transition risks. The physical risks are mainly divided into acute and chronic risks; transition risks mainly include policy and legal changes, market, reputation, and technological innovation.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

Classification		Time range	Climate-related risks	Potential impact on the Group
Physical Risk	Acute	Short-term (1-2 years)	<ul style="list-style-type: none"> Frequent extreme weather events such as high temperature, heavy rain, typhoon, flood, thunderstorm, and sandstorm 	<ul style="list-style-type: none"> Damage to production facilities results in increased production costs; Employees suffer from extreme weather, resulting in increased health and safety hazards and absence from work due to injury or illness, reduced production capacity and increased labor management costs.
	Chronic	Long term (6-10 years)	<ul style="list-style-type: none"> Intensified changes in climate patterns such as on-site hydrological characteristics and seasonal precipitation Intensified global warming 	<ul style="list-style-type: none"> Increased water consumption pressure and insufficient water supply in the circulation pipe network lead to increased operating costs; Waste collection and transportation are hindered, and raw materials for power generation are in short supply, resulting in a decline in production capacity; Power generation efficiency decreases, resulting in a decrease in revenue; Pressure on vegetation environment increases, resulting in reduced flood control capacity; Average temperature rises, leading to intensified impact of waste odour.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

Classification		Time range	Climate-related risks	Potential impact on the Group
Transition risks	Policy and legal changes	Short term (1-2 years)	<ul style="list-style-type: none"> Increased carbon emission pricing Intensified obligations on carbon emission disclosure 	<ul style="list-style-type: none"> Compliance costs increase; Increased risk of climate-related penalties or lawsuits.
		Medium term (3-5 years)	<ul style="list-style-type: none"> More stringent regulation over carbon emission 	
	Technological innovation	Long term (6-10 years)	<ul style="list-style-type: none"> Trend of transitioning to low-emission technologies 	<ul style="list-style-type: none"> Early phase-out of high energy consumption/ high pollution discharge facilities or processes; Increase in research and development spending on new low-emission production technologies.
	Market	Medium term (3-5 years)	<ul style="list-style-type: none"> The market competitiveness and cost of enterprise are affected 	<ul style="list-style-type: none"> Failure to develop low-carbon services in accordance with market trends may lead to a decline in the Group's market competitiveness.
	Reputation	Medium term (3-5 years)	<ul style="list-style-type: none"> Increasing social attention to the low-carbon transformation of enterprises 	<ul style="list-style-type: none"> Failure to make a timely low-carbon transition may lead to a reduction in the trust of stakeholders in the Group.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

4.4.3 Climate Risk Response

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

The Group’s responses to specific physical risks and transition risks are as follows:

Physical Risk Responses

Strengthen operation and maintenance of production facilities and emergency management

- Carry out daily maintenance and inspection of production facilities to ensure their good operation conditions and strengthen the ability of production facilities to cope with extreme weather;
- Develop production emergency plans to ensure the safe and stable operation of equipment, and purchase natural disaster insurance for assets such as production facilities.

Ensure the health and safety of employees

- Formulate emergency plan management measures for safety accidents, conduct emergency plan training and drills for various production events, and improve employees’ ability to prevent and deal with safety accidents;
- Formulate production emergency plans, pre-arrange corresponding production and operation plans for various extreme weather;
- Take high temperature and heatstroke prevention and cold and freeze prevention measures, provide corresponding subsidies and care measures for employees;
- Adjust the working hours of employees on time, and purchase personal safety insurance for them.

Relieve water consumption pressure for business

- Adopt sewage recycling and zero-discharge technologies in the project plants to relieve pressure on water consumption in business.

Enhance the flood control capacity of vegetation

- Give consideration to the flood control capacity under extreme weather from the aspects of plant site selection, layout planning, process facilities and architectural design.

Avoid waste odour

- Take measures at waste discharge opening, waste pool and landfill sites to prevent odour from escaping.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

Transition Risk Responses**Optimize the production and supply of renewable energy to facilitate the energy transformation of society**

- Implement the “carbon peak and neutrality” strategic goal and the construction concept of “waste free city”, and improve the quality and efficiency of waste-to-energy projects;
- Refine and optimize the waste-to-energy business and continue to expand waste collection and transfer and power generation business, to provide renewable green electricity for the society;
- Expand the scale and capacity of municipal waste recycling business, carry out heating and steam supply business simultaneously, and invest in the construction of low-carbon environmental protection industrial parks with local governments.

Carry out innovation and energy-saving technological renovation projects to reduce the use proportion of fossil energy

- Insist on low-carbon production, monitor production energy consumption, adopt new production or environmental protection technologies, and carry out technological renovation or equipment transformation, to improve power generation efficiency and reduce carbon emissions in operations;
- Insist on low-carbon operation, practice the concept of green office, save office and living resources, purchase new energy business vehicles, and rationally dispose of traditional fuel vehicles.

Promote green concept and enhance the Group's reputation in terms of environmental protection

- Initiate and organize activities of public welfare publicity on green and environmental protection;
- Promote green and environmental protection knowledge to the public, to improve the behavior awareness of the society to practice low-carbon environmental protection.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

5. STAFF MANAGEMENT

5.1. Health and Safety

5.1.1 Construction of Safe Work Environment

The Group has always attached importance to safety and placed a top priority on providing a safe working environment for its employees. Upholding the operation concept of “safety, environmental protection, civilization, and efficiency” and the principle of “protecting personal safety, protecting power grid and protecting equipment”, we earnestly implement the safety production policy of “safety first, prevention as top priority, and comprehensive governance”. Meanwhile, we strictly regulate the Company’s emergency management and continue to improve the ability to prevent accidents and respond to risks, to ensure public production safety and public life safety and minimize property damage, environmental pollution and negative social impact.

In terms of system and certification, we strictly abided by the Safety Production Law of the People’s Republic of China, regularly updated the ISO45001: 2018 occupational health and safety management system certification. Certain project companies have obtained production safety standardization certificate. At the same time, in accordance with the Emergency Response Law of the People’s Republic of China, the Fire Protection Law of the People’s Republic of China, the Regulations on Emergency Response to Production Safety Accidents, the Measures for the Management of Emergency Plans for Production Safety Accidents, the Guidelines for the Preparation of Emergency Plans for Production Safety Accidents of Production and Business Units and other relevant national laws, regulations and standards, we have formulated the *Key Points of Safety and Environmental Protection Work of Dynagreen Environmental Protection Group Co., Ltd. in 2023* (《綠色動力環保集團股份有限公司2023年安全環保工作要點》) and the *Measures for the Management of Emergency Plans for Production Safety Accidents of Dynagreen Environmental Protection Group Co., Ltd.* (《綠色動力環保集團股份有限公司生產安全事故應急預案管理辦法》), and revised and issued the *Safe and Civilized Construction and Environmental Protection Management System of Dynagreen Environmental Protection Group Co., Ltd.* (《綠色動力集團建設項目安全文明施工及環境保護管理制度》).

The Department of Safety and Environment has been established in our project companies to regulate the Group’s safety management in terms of safety tool management, temporary power consumption management, safety accident management, chemical hazard management, accident emergency plan, and management of major sensitive facilities in accordance with the relevant national regulations on safety production. At the operational level of the Group, we pay attention to project safety management. We have established a safety production responsibility system, to comprehensively supervise, manage safety production from all stages, and conduct investigation, hazard source identification, evaluation and risk hierarchical control of all construction sites.

Project Construction Phase

Troubleshoot all construction sites as well as carry out risk evaluation and analysis and identify sources of hazards;

Improve treatment solutions for major construction procedures and develop emergency measures in order to safeguard construction safety;

For the subcontractors involved in the design and construction work for our projects, the Group has established clear standards for them to follow when undertaking the Group’s projects;

The Group also has specific technological requirements that must be met by project contractors under the supervision of the Group’s specialized project engineers.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

**Project
Operation
Phase**

Establish a clear internal structure with responsibilities of each department and clarify production safety rules and procedures for incident inspections and exception management;

Regularly inspect safety system, prepare safety monthly reports, evaluate the monthly production safety records and set up the safety target for the next month based on the completion status of safety target in the preceding month;

Regularly hold safety education and training to ensure that the personnel of project companies have the necessary knowledge of operation safety;

Organize project leadership and members to sign the annual Responsibility Documents of Safety and Environmental Protection.

Dynagreen continued to promote production safety work, and regularly maintained safety facilities and configurations. In the meantime, we paid attention to fire inspection and management, and conducted routine inspections and examinations of office areas and fire extinguishers every day. In addition, we also comprehensively investigated the gas safety of the staff canteen of each subsidiary, and strived to prevent all kinds of gas safety accidents.

The Group has always adhered to the concept that “inadequate training is a major safety hazard”, striving to improve the safety management level and awareness of employees. We proactively carried out corresponding emergency drills and safety training courses, and achieved full coverage of training. To ensure the quality of training, we have formulated assessment standards and issued certificates uniformly to employees who have passed the training.

In order to enhance the fire prevention and emergency evacuation ability of employees, we regularly held fire emergency drill activities and conduct practical training on the use of fire extinguishers. Meanwhile, we also organized and carried out “Safety Month Training Activity”, conduct actual drills on fire and limited space rescue, and preach on the theme of production safety. In addition, the human resources department organized “production safety training” for senior management of the Group and the main persons in charge of the subsidiaries through online and offline methods, and a total of more than 420 people attended the training and passed the online final exam in a closed book form. Those who had passed the exam were issued the training certificate. Production safety training achieved remarkable results, and the pass rate of the final exam reached 100%.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

Besides, for operators of fire-fighting facilities, we have strengthened the investigation of the personnel’s certificates to find out those without certificates and make rectifications in a timely manner in strict accordance with the local laws and regulations and the regulations of the competent fire department, to ensure compliance with laws and regulations in operations. For project companies without any personnel holding certificates, we will organize relevant personnel to participate in fire-fighting skills training in batches, and ensure that relevant personnel obtain training completion certificates. For project companies with certificates of completion, we will keep track of the opening process of the local fire-fighting examination system, and arrange relevant personnel to apply for the qualification certificate for fire-fighting facilities operators in a timely manner.

As of 2023, the Group has organized and conducted 34 fire drills and completed 49 hours of training on health and safety.

Case Share**➤ Safety Month Training Activity of Changzhou Company of Dynagreen**

On 20 June 2023, Changzhou Project of Dynagreen invited the Niutang Town Government of Wujin District and the Niutang Fire Brigade to carry out safety month training activities such as limited space operations and fire emergency rescue drills in the factory. In the activities, the on-site fire and limited space actual combat drills and the safety themed speech of "Hundred Regiments into Millions of Enterprises with Tens of Millions of Employees" consolidated the production safety concept of Dynagreen, further improved the emergency response, solidarity and cooperation ability of Changzhou Project, and strengthened the awareness of risk prevention, laying a solid foundation for ensuring the continuous and stable production safety of the project. Following the principle of “everyone requiring training should be trained”, all employees other than other on duty proactively participated in the activities and watched the drills.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

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

Health and safety data	2023	2022	2021
Number of work-related fatalities (person)	0	0	0
Fines and prosecutions due to non-compliance with laws and regulations related to health and safety (time)	0	0	0

In 2023, the number of days lost due to work injury of the Group was 127.

5.1.2 Occupational Health Protection Measures

The Group mainly adopts the following measures to protect the occupational health of its employees:

- ✓ Arrange regular occupational health check for employees on special positions, and arrange health check for employees on ordinary positions;
- ✓ Carry out on-site inspection of project site from time to time to ensure that employees work in a safe working environment;
- ✓ Organize employee representatives to supervise and inspect the canteen of the Company's plants to ensure the food safety and health of employees;
- ✓ Troubleshoot occupational hazard factors and formulate corresponding emergency measures in time;
- ✓ Provide necessary protective equipment and emergency equipment to ensure that employees protect their personal safety to the maximum extent in the event of an emergency.

In addition, during the Year, the Group also purchased direct drinking water equipment, which was installed and used in canteens, office areas of production buildings and office areas of administrative buildings, respectively, and could soften the local high hardness water quality, to reduce the risk of lithiasis of employees and further improve the occupational health of employees.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

5.2. Employment and Development

The Group regards talents as the core force to promote the development of enterprises, and has formulated a clear talent strategy and built a long-term incentive mechanism. It has launched practical and innovative training courses, to continuously empower employees, and listen to their voices and meet their needs, so that building a good employee relationship and healthy corporate culture.

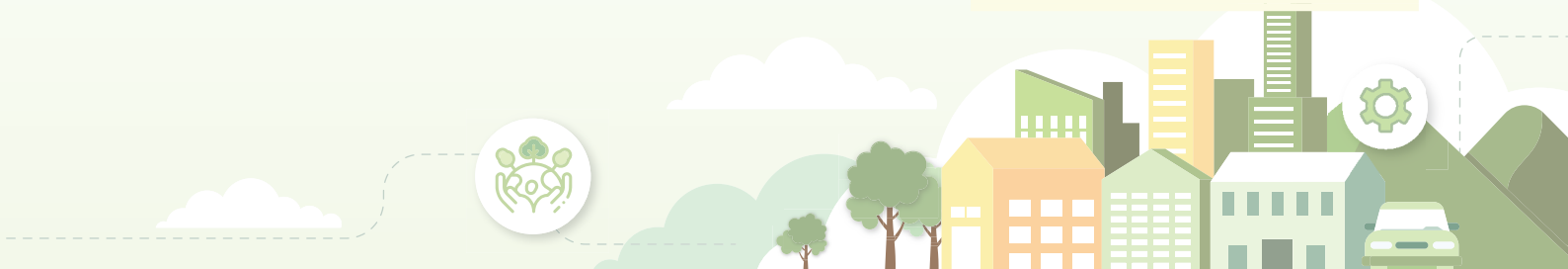
5.2.1 Employee Recruitment and Labor Standard

The Group strictly abides by the Labor Law of the People’s Republic of China, the Labor Contract Law of the People’s Republic of China and other relevant laws and regulations, and has formulated management systems, such as the *Management Measures on Recruitment and Entry* (《招聘及入職管理辦法》), the *Training Management System* (《培訓管理制度》), the *New Employees Appraisal Management System* (《新員工考核管理制度》), the *Labour Contracts Management System* (《勞動合同管理制度》), the *Remuneration Management System* (《薪酬管理制度》), the *Attendance and Vacation Management System* (《考勤及休假管理制度》), the *Management System on Employee Separation* (《員工離職管理制度》) and the *Measures for Management of Recommendation of Dynagreen Group* (《綠色動力集團伯樂推薦管理辦法》) to clarify the standard operation of recruitment procedures, selection criteria, selection procedures and other aspects of the recruitment. The recruitment of child labor and forced labor and other illegal labor practices are strictly prohibited.

Equality and Compliance in Employment

The Group practices the values of equality and inclusiveness, has developed a sound staff recruitment process to ensure that any form of discrimination and differential treatment is avoided in the recruitment process, and implements labor management in compliance with provisions. Based on business needs and development strategies, the Group has formulated scientific recruitment plans and selection criteria, and continuously attracts outstanding professionals to join the Group by optimizing the content of the recruitment brochure and innovative publicity methods, so as to provide talent guarantee for long-term development of the Group. In 2023, the Group and its subsidiaries recruited a total of 504 people, with a recruitment completion rate of 98%; 87 college students graduated in 2023 were recruited, and the internship enrollment rate was 60%; as of December, 38 college students to graduate in 2024 have been recruited at on-campus recruitment, with a signing rate of on-campus recruitment of 86%.

Employment data		Number of employees in 2023	Separation rate in 2023
Total number of employees of the Group		3,466	11.06%
By gender	Male	2,669	13.23%
	Female	797	9.79%
By age	17-30	1,173	19.18%
	31-40	1,232	9.66%
	41-50	825	7.27%
	>51	236	11.44%
By region	China	3,466	11.06%
	Overseas	0	0.00%



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

The Group ensures that all applicants enjoy equal employment opportunities without discrimination or differential treatment based on gender, race, age, religion, etc. At the same time, the Group resolutely opposes any form of child labor and forced labor, and ensures the effective implementation of the principles related to equal opportunities, diversity and anti-discrimination at the level of system constraints and recruitment enforcement, to protect the rights and interests of employees with practical actions. We strictly prohibit the recruitment of minors under the age of 16 and other personnel prohibited by national laws and administrative regulations. The enrolment procedures of all new employees is filed or approved by the Group’s human resources department or relevant leaders.

1

It is required to guarantee equal employment rights for candidates without employment discrimination.

2

Under equal conditions, preference shall be given to college graduates from poverty-stricken areas, to help college students in low-income and poverty-stricken areas expand employment channels.

3

It is not allowed to ask for technical data, equipment and equipment from the former employers of candidates on the grounds of recruitment, or infringe the intellectual property rights, trade secrets and other legitimate rights and interests of the former employers of candidates.

4

The recruitment of minors under the age of 16 and other personnel prohibited by national laws and administrative regulations shall not be allowed.

Recruitment Principles of the Group

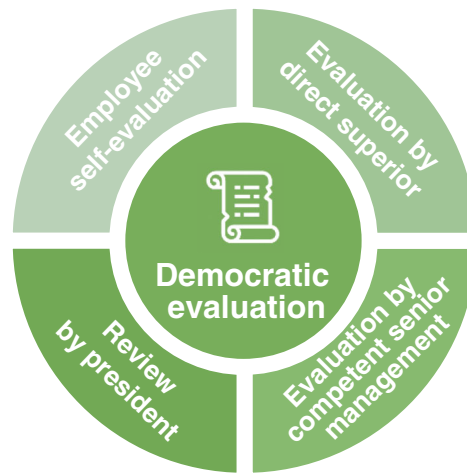
During the Year, the Group did not violate any law or regulation relating to recruitment and promotion, compensation and dismissal, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare, and had no major violation of laws and regulations or litigation related to the employment of child labor or forced labor.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

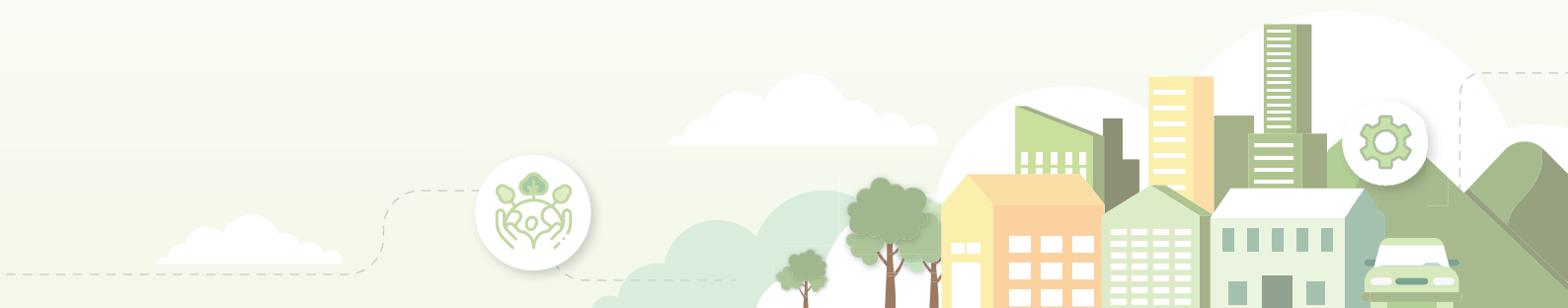
Talent Appraisal and Promotion

The Group is committed to building a sound performance appraisal system and diversified reward methods to stimulate the potential of employees and improve the overall work efficiency and performance. Depending on the differences of positions and responsibilities, the appraisal of middle-level cadres is carried out in strict accordance with the contractual management regulations for the management, and the appraisal of other personnel is carried out according to the annual appraisal work plan. The Group requires the members of the management to sign the post appointment agreement and the statement of responsibility for business performance assessment for the term of office from 2021 to 2023. According to the business in the charge of each manager and with performance assessment as the important guidance, the Group has developed personalized incentive plans to mobilize the enthusiasm and sense of responsibility of employees.



Meanwhile, the Group carries out annual democratic evaluations to evaluate the performance of the Group's management, the selection of new cadres, and leadership support for grassroots Party building work, and summarizes and analyzes the evaluation results to provide a reliable basis for staff promotion

The Group continues to optimize the promotion channel, emphasizes the core concept of employment based on ability, and standardizes the promotion evaluation process, to promote the orderly flow of talents and improve the talent echelon. The Group has established a fair and impartial promotion mechanism, and carried out diversified promotion channels such as technical series director evaluation, competitive recruitment and reserve cadre training inspection, to actively promote the technical upgrading of talents.



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Talent Motivation and Retention

The Group continues to deepen the talent motivation and retention strategy, enhances the enthusiasm of employees through appraisal and selection of outstanding employees, advanced employees and awards, and regularly understands dynamics of employees, to provide stable talent support for its own development.

In order to promote integrity and set an example, in 2023, the Group organized the selection and recognition of advanced individuals and advanced collectivities for 2022. The work went through various stages including program planning, application review, comprehensive appraisal, and public announcement. The departments at the head office and the subsidiaries of the Group recommended 49 candidates for advanced individuals and 13 candidates for advanced collectives. Based on the selection quota and conditions, 25 advanced individuals and 5 advanced collectives were selected. At the annual meeting of the Company, the Group organised prize presentation to express the affirmation and encouragement for excellent employees and advanced collectives.

In order to achieve the goal of efficient and stable operation and ensure safety and environmental protection, the Group has formulated the *Management Measures for Power Generation Award and Safety and Environmental Protection Award of Operating Project Companies of Dynagreen Group* (《綠色動力集團運營項目公司發電獎及安全環保獎管理辦法》), to encourage employees to always work with safety and environmental protection as the first principle. According to the assessment results, different levels of incentives are determined to promote the production of project companies, improve the quality and efficiency of power generation, and continuously reduce their own energy consumption and carbon emissions to reduce the impact on the environment.

In order to further improve the corporate governance structure of Dynagreen Group, the Group constantly improves the medium and long-term incentive and constraint mechanism of the Company, and realizes the incentive and constraint of middle and senior management and backbone personnel of the enterprise, so that enhancing their sense of responsibility and belonging and work together in times of difficulty.

In addition, in order to better understand the dynamics and needs of the employees, the Group regularly carries out monthly summarization of personnel dynamics, analysis and annual talent review, to comprehensively sort out the human resources, and formulate personalized improvement plans and career development programs according to different needs and problems. We carry out communications and exchanges for training and growth satisfaction and work performance of cadres and employees at all levels. We conduct exit interviews for pre-departure employees to understand the reasons and destinations of departure in detail, so as to better optimize talent allocation and management.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

5.2.2 Employee Care and Welfare

The Group provides employees with comprehensive compensation and benefits, including statutory social insurance, housing provident fund, group accident insurance, official communication subsidy, transportation allowance, work meal allowance, annual health check, paid leave, and other benefits for employees at the head office. On this basis, the Group provides seniority wage, night shift allowance, high temperature subsidy and other benefits for employees of subsidiaries.

Employee Care Activities

The Group has organized a series of joyful and positive employee care activities to enrich the leisure cultural life of employees and improve their happiness from various perspectives.

Case Share

➤ Holiday greetings

The Group sends welfare gifts and sincere holiday wishes to employees during the Spring Festival, Mid-Autumn Festival, Labor Day, Women's Day and other festivals.



Case Share

➤ Care for women

- ✓ The Group makes special provisions for female employees to enjoy 1 hour of leave per day during breastfeeding;
- ✓ The Group and its subsidiaries carried out activities to celebrate the “March 8” Women’s Day: the labor union of the Group sent holiday wishes and condolences to the female employees of at the head office as tribute to the power of women.

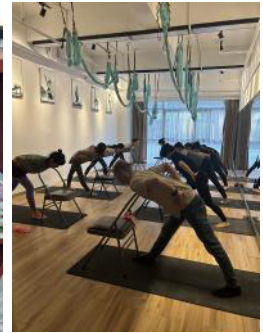


2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

Case Share

➤ Cultural and sports activities

- ✓ The Group is equipped with table tennis and billiard activity rooms, and regularly carries out sports activities such as badminton, swimming, yoga, etc., to enhance the physical fitness of employees, promote mutual communication and improve team cohesion;
- ✓ The trade union of the Group organized a reading club activity, and more than 30 employees of the Group participated in this activity through online and offline means to enhance the humanistic and professional literacy of employees;
- ✓ Dedicated reading corners are set for employees, and books and magazines are regularly updated to encourage employees to develop reading habits.

*Employee Communication and Exchange*

The Group proactively communicates and exchanges with employees, regularly holds employee representatives congresses, and conducts employee satisfaction surveys, to promote the scientific and democratic decision-making of the Company and continuously optimize corporate management to enhance employee satisfaction.

The Group's employee representatives congress provides a platform for employees to participate in the Group's decision-making, express their opinions and suggestions. It supports employees to discuss the Company's major issues and development plans together, protects employees' rights and enhances their sense of belonging.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

Case Share

- The second employee representatives congress

In 2023, the Group held the 2nd employee representatives congress, at which all employee representatives listened to and reviewed the Group’s 2022 business work report. Employee representatives proactively offered suggestions for the high-quality development of the Group and enthusiastically submitted proposals at the employee representatives. 2 proposals/merged proposals were finally submitted.

**Case Share**

- Employees congress at the head office

In December 2023, the Group held the employees congress of the head office of the Group to jointly listen to the annual work report of the Group’s labor union. The report comprehensively summarized the achievements and honors of the Group’s labor union construction in the previous year from six aspects, carried out discussion on issues involving the vital interests of employees, to improve employees’ knowledge rate and satisfaction rate, and implement the Group’s work purpose of better serving employees and safeguarding the legitimate rights and interests of employees.



The Group attaches importance to the feelings of employees and listens to the voices of employees. Through regular employee satisfaction surveys, we fully grasp the career needs of employees and management suggestions for the Company, and timely adjust and improve the Company’s management policies according to employees’ feedback to respond to employees’ expectations. In 2023, the results of the Group’s employee satisfaction survey were 91.59%, with a total of 107 participants.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

5.2.3 Employee Development and Training

The Group is committed to building a systematic and targeted training mechanism and always focuses on the improvement of the training mechanism and the comprehensive development of talents. It continuously empowers employees, and focuses on and promotes the core competitiveness, innovation and change of corporate development. The Group has updated and optimized the *Training Management Measures of Dynagreen Group* (《綠色動力集團培訓管理辦法》), *Internal Training Management Measures of Dynagreen Group* (《綠色動力集團內訓管理辦法》) and other institutional documents to continuously improve the professional quality of employees, promote the sustainable and stable development of the Group, and realize the common growth of individuals and enterprise.

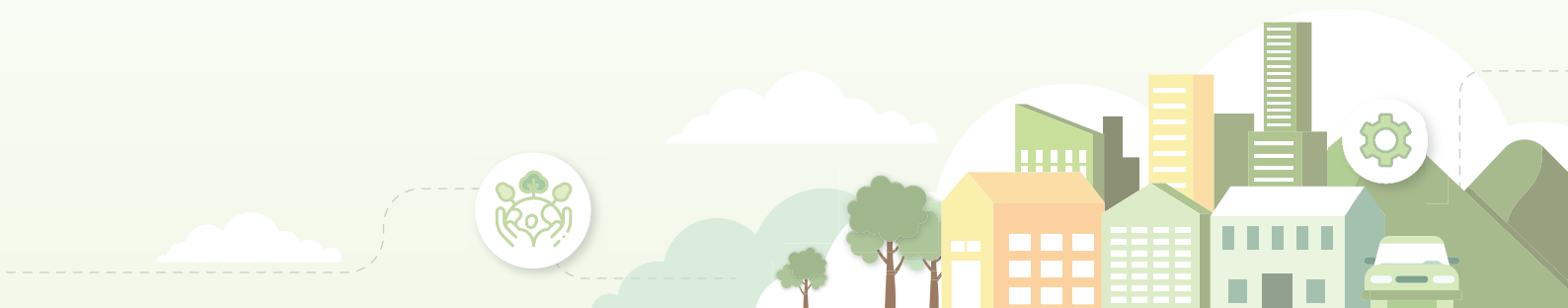
In 2023, the Group continuously improved the “Wuhang six-line” training system. The newly revised training management system covers a total of eight categories including new employee induction training, college student training, professional line training, professional training, “Wuhang” talent training, in-house commissioned training, professional qualification certificate training and other training. For employees at different levels and in different positions, we carry out hierarchical and classified training, laying a path for the growth of employees’ career development from different aspects including employee induction training to the growth of professional skills and professional knowledge.

In 2023, based on the “Wuhang six-line” training system, the Group carried out a variety of training programs, focusing on gradually improving its own talent development system, and solidly promoting the optimization of various special training and general training programs, such as college student training program, dandelion in-house trainer training, production safety training, “Wuhang” talent training, etc., and achieved fruitful staff training results.



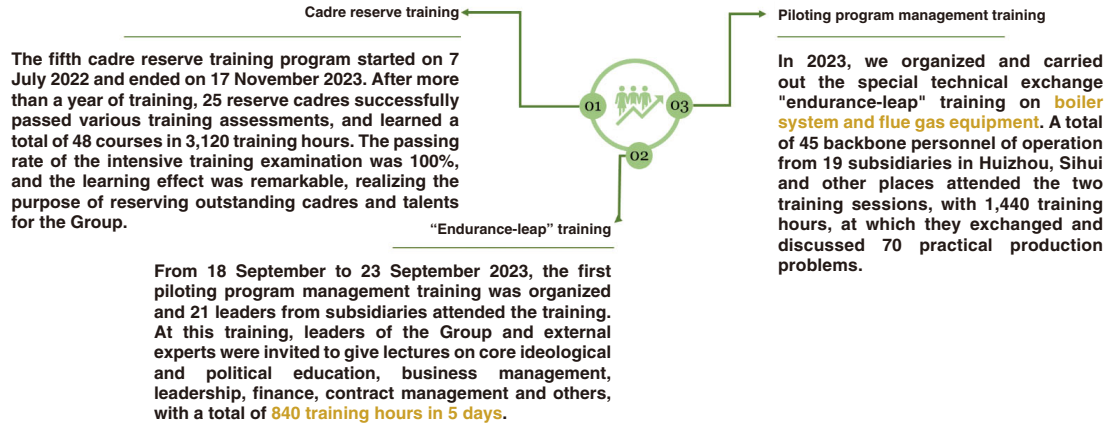
2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

<p>College student training program</p>	<p>Dandelion in-house trainer training</p>	<p>Training on production safety</p>	<p>“Wuhang” talent training</p>
<p>In early January 2023, the Guidance Manual for College Students Training was formulated and promulgated. At the beginning of March, 145 college students graduated in 2023 registered for participation in centralized training. In the middle of May, an outward training was held for college students, and 37 college students participated in the training, with a total of 296 training hours.</p>	<p>In 2023, 2 training sessions were organized and carried out for in-house trainers, with a total of 31 trainees and 150 total training hours. Through the teaching and coaching at 2 excellent courses, such as course development, courseware making and teaching expression, 31 students developed and produced 12 high-quality internal training courseware.</p>	<p>In December 2023, the 2023 annual production safety training was organized. The main person in charge of the Group, all members of the engineering management department, the operation management center, the safety committee, and the management team of 42 subsidiaries and the frontline staff of safety management were trained, with a total of 427 trainees and an average of 16 training hours per person.</p>	<p>The Wuhang six-line training system is the core program of the Group’s eight training systems, which are sailing, endurance, cruising, oceangoing voyage and piloting programs, covering all employees of the Group’s operating projects. It aims to develop innovative thinking and problem solving skills through systematic training and practical opportunities.</p>
<p>Investment management business training</p>	<p>New employee induction training</p>	<p>Dynagreen Lecture</p>	<p>System publicity training</p>
<p>In December 2023, in collaboration with the Investment Management Center, we organized and carried out investment management business training, including project economic calculation and operating cost analysis, relevant rules and regulations, whole process of project investment/merger and acquisition, development training and project visits. A total of 9 people were trained with a total of 144 training hours.</p>	<p>In 2023, 15 new employees at the head office of the Group were trained, including 4 middle-level managers. The Group organized 6 training courses, with a total of 667 training hours, training completion rate of 100%, and exam pass rate of 100%.</p>	<p>In 2023, in collaboration with the office of the labor union, the Legal Compliance Department and the Financial Management Department, we organized training courses including Charming Communication, Risk Tips and Suggestions for Contract Signing and Performance Management, Risk Precautions in Dispute Response and Basic Knowledge of Accounting, with a total of 484 people trained and 1,210 training hours.</p>	<p>In 2023, we organized and carried out 4 system publicity training sessions, including 1 held by the publicity on human resource management system and 3 held in collaboration with other departments (Office of the Party Committee, Board Office, Legal Department, Financial Department, Operation Department, and Administration Department), with a total of 837 people trained and 4,899 training hours.</p>



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

During the Year, the Group focused on promoting the Wuhang six-line training system mainly on three directions: cadre reserve training, piloting program management training and “endurance – leap” training. Through the establishment of in-house trainer talent team, we improved the Group’s internal training level and built a training resource interaction channel, to ensure measurable training effect and continuous improvement, improve staff’s work level in an all-round way, and promote the high-quality development of the Company’s business.



In 2023, based on the corporate development and talent strategic planning, as well as the analysis on training status, the training throughout the year was realistic and innovative, highlighted key points and achieved remarkable results.

Training data		Trainee ratio in 2023	Per capita training hours in 2023
All employees of the Group		100%	11.26
By gender	Male	100%	11.43
	Female	100%	10.69
By rank	Senior management	100%	16.92
	General management	100%	18.80
	Non-management employees	100%	10.95



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6. PRODUCT RESPONSIBILITY

6.1. Business Assurance

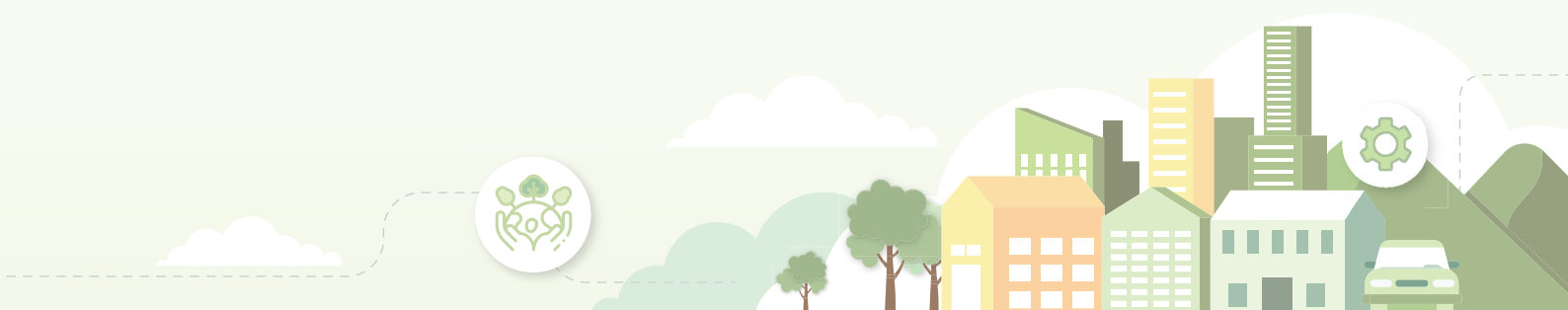
As an enterprise mainly engaged in waste treatment and waste-to-energy business, the Group mainly serves the municipal administrative authorities of the local governments and power grid companies. The Group adopts the BOT model to operate domestic waste-to-energy projects. It provides waste treatment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

On the basis of ensuring the quality of power supply, the Group continues to make breakthroughs and innovations and provides high-quality and professional waste treatment and waste-to-energy services for the cities where the projects are located. Our business not only reduces the negative environmental impact of landfills, but also provides renewable electricity through waste energy conversion, helping to meet the national carbon peak and neutrality goals and mitigate the negative impact of climate changes.

6.1.1 Power Supply Quality Management

The Group enters into power purchase and sale contracts with local power grid companies in accordance with the Civil Code of the People’s Republic of China, the Electricity Law of the People’s Republic of China, the Renewable Energy Law of the People’s Republic of China, the Regulations on Grid Dispatching Management, the Regulations on Electricity Supervision and other relevant national laws and regulations. The project companies abide by the local grid-connection dispatching agreement, and operate and maintain the relevant power transmission and transformation equipment in strict accordance with national and industry standards, to maintain the safe, high-quality and economic operation of the power system. The Group has formulated technical specifications for waste-to-energy business to stabilize power supply quality and monitor power generation efficiency. Project companies have set waste-to-energy targets according to local operation conditions, and implement target responsibility management system and related reward and punishment mechanism.

The Group mainly conducts power generation quality control from two aspects, i.e. fuels and boilers. In terms of fuel control, the Group conducts waste inspection, diversion, stacking, storage and blending in accordance with internal process parameters and operating procedures to ensure the power generation efficiency of waste; meanwhile, in order to cope with the insufficient amount of waste for power generation, the Group has taken corresponding measures from five aspects, i.e. expanding the range of waste collection, improving waste sorting and recycling, carrying out publicity and education, developing alternative energy sources and optimizing equipment technology, to proactively ensure stable power generation.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

- Expanding the range of waste collection: Increase waste collection efforts to extend the collection to further areas, thereby increasing the supply of waste.
- Improving waste sorting and recycling: guide residents to properly classify waste by improving residents' awareness of environmental protection, to ensure effectively recycling of recyclables.
- Carrying out publicity and education: raise public awareness of waste sorting and recycling to promote effective waste collection. In addition, popularization of the knowledge of waste incineration to the public can eliminate their misunderstandings and concerns about waste incineration, so as to obtain public support and cooperation.
- Developing alternative energy sources: reduce the dependence on waste through study on the use of alternative energy sources such as other renewable energy sources or industrial waste, to ensure the stable operation of enterprise.
- Optimizing equipment technology: improve the reliability and stability of equipment and the efficiency of waste incineration, and reduce energy consumption and pollutant emissions through introduction of advanced incineration technology and equipment, to ensure the smooth progress of waste incineration.

In terms of control of boilers, the Group strictly implements the preparatory work of start-up, operation and stop of boilers, and timely adjusts the operating parameters of boiler equipment, such as air temperature, air volume, grate speed, grate residence time, soot blowing frequency, etc.; we have specified the inspection route and inspection requirements for boilers and other equipment, to timely find out and correct production problems. The production process will be adjusted according to the actual combustion conditions of boilers, incineration parameters and changes in waste incineration position. Besides, project companies also proactively implement boiler optimization in order to achieve safe, stable, efficient and economic operation of boilers.

In addition, the Group carries out practical business skills training for technical personnel in the plants, to standardize the operation of production equipment and improve proficiency, and enhance the business level of employees, thus to provide guarantee for the stable quality of waste-to-energy business.

Case Share

- Business skills training for electrical post of maintenance team

On the basis of daily skills training, the electrical department also organized special skills instructions and on-site practical training on waste crane repair and maintenance. After relevant training sessions, the maintenance time of the maintenance team personnel was significantly shortened, which improved the business level of the post, providing guarantee for production and power generation.

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



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

6.1.2 Technological Innovation and Development

The Group understands that technological innovation is an important driver of business and thus we accelerate technological breakthroughs. While optimizing the production process technology, the Group promotes the intelligent transformation of the industry and constantly improves the efficiency of waste-to-energy business, to maintain its own business competitiveness.

In terms of process technology innovation, the Group sets annual technological research and development and innovation targets in accordance with the Measures for Management of Technological Research and Development of Dynagreen Group 《綠色動力環保集團股份有限公司技術研發管理辦法》. In 2023, the Group's technological research and development and innovation targets and their achievement are as follows:

Technological research and development and innovation targets for 2023
Target progress and effectiveness

- | | |
|--|--|
| 1. Continue to improve the first promotion and application of 900/1000-ton large-scale incinerator, a self-developed large-scale multiple drive expeller grate waste incinerator series product | <ul style="list-style-type: none"> ✓ Optimize and improve the application of 4 rows of 500/600-ton large-scale multiple drive expeller grate waste incinerators in Wuhan Phase II Project; ✓ The successful promotion and application of 6 rows of newly developed 900/1,000-ton large-scale multiple drive expeller grate waste incinerators in Zhangqiu Phase II Project made us one of the few companies in the PRC with independent intellectual property technology for super large incinerators with a single incinerator's processing capacity of up to 1,000 tons. The technology is leading in the PRC and has greatly improved the Group's position in the industry. |
| 2. Continue to promote dioxin online warning and intelligent control technology | ✓ Optimize and improve the dioxin online warning and intelligent control technology on the basis of the existing application projects, to provide technical support for the environmental protection operation of project companies. |
| 3. Carry out tests of efficient integrated flue gas treatment and flue gas recycling | ✓ Intensify the development and research of flue gas treatment technology and flue gas recycling technology, and carry out technology promotion and application on the basis of pilot implementation, so as to improve the comprehensive thermal efficiency of the whole waste-to-energy plant and provide technical basis for energy saving and emission reduction. |
| 4. Carry out the exploration of integrated intelligent diagnosis and monitoring system for waste incinerators and waste heat boilers to improve the efficient, stable and long-term operation of boilers | ✓ Certain functions of the integrated intelligent diagnosis and monitoring system for waste incinerators and waste heat boilers have been put into use, and initial results have been achieved, and it is proposed to continue to make improvement and conduct pilot application. |
| 5. Carry out intelligent technology application of waste-to-energy plants | ✓ The intelligent technology of waste-to-energy plants has begun to be implemented in Tongzhou Project. |
| 6. Carry out technological research and development of miniaturized waste incinerators | ✓ Technological research and development reserve work was completed for miniaturized waste incinerators. |



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") REPORT (CONTINUED)

Case Share

- 900-1,000t/d incinerator project in Zhangqiu Phase II Project of Dynagreen

Zhangqiu Phase II Project, as the first project equipped with 900-1,000t/d incinerator of Dynagreen Group, shoulders the "pioneer" mission for extra-large grate. The grate is the largest multiple drive expeller grate waste incinerator in the Group's self-developed and designed series, and has the advantages of compact structure, full combustion, high heat exchange efficiency and low harmful gas emission, etc. Its technical performance has reached the domestic advanced level, while its cost is only about 30% of the imported similar products. After the Zhangqiu Phase II Project was put into operation in 2023, the total waste treatment scale of Zhangqiu Project and Phase II Project reached 3,100 tons/day, and the expected power generation reached 420 million kWh/year, which would greatly improve the detoxification, reduction and recycling level of domestic waste in Zhangqiu and surrounding areas and make more contributions to the construction of "waste free city" in Jinan and the ecological management of the Yellow River basin.



In terms of intelligent transformation, the Group aims to promote the updating and iteration of waste incineration operation project technology under the background of the national dual-carbon strategy, so as to achieve energy saving, emission reduction, low-carbon and environmental protection operation. Based on the accumulation and precipitation of a large number of grate furnace combustion optimization projects, our technical research and development personnel have combined the process and mechanism to develop and initially form a data-driven intelligent control system. The system has the functions of big data analysis and machine learning, and has developed the material layer thickness evaluation model, image recognition analysis module and parameter prediction model. Through the analysis and mining of a large number of historical data, the operation characteristics of the unit were extracted and further combined with the control framework, which could effectively solve the difficulties in the control of grate furnace incineration, such as complex and varied waste, uneven thickness of the material layer, large time delay, etc.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

Case Share

➤ Pilot application of intelligent control system for waste-to-energy

Data driving, algorithm modeling, integrated big data analysis and AI technology application were carried out based on the operation process of the equipment system of the waste-to-energy plant for Beijing Dynagreen Environment Co., Ltd., as a pilot power plant. Through modeling the incineration process of grate waste incinerator equipment, real-time modeling and prediction of steam volume, furnace temperature and pollution emission, video identification and analysis of flame state, and stability control and optimization of incineration process, automatic control of the waste incineration process of grate waste incinerator was finally realized. Under the premise of comprehensive consideration of environmental protection indicators and cost indicators, the automatic input rate of the intelligent control system could reach more than 90%, and the stability of the main steam flow could also be improved by more than 10%.

6.1.3 Protection of Intellectual Property Rights

The Group attaches great importance to the management of scientific research results and intellectual property rights. It has formulated the Guidelines on Compliance in Management of Intellectual Property Rights of Dynagreen Environmental Protection Group Co., Ltd., the Management Measures for Intellectual Property Rights and Trade Secrets of Dynagreen Environmental Protection Group Co., Ltd., the Measures for Management of Patent Awards and other systems to standardize the management of intellectual property rights, encourage employees' enthusiasm for invention and creation, and strengthen the protection of the Group's intellectual property rights. As of the end of 2023, the Group had obtained more than 70 patents. In 2023, we obtained a new patent for invention – “a device and method for self-cleaning the filter screen of the primary tuyere of waste incinerator”.

**Patent for Invention of Dynagreen in 2023**

The Group has clearly stipulated the requirements on preventing infringement of others' property rights and safeguarding its own intellectual property rights, i.e., all employees shall not infringe others' intellectual property rights and trade secrets, and conscientiously fulfill the obligations of safeguarding the Company's intellectual property rights and keeping trade secrets. Subsidiaries and individuals of the Group shall not disclose the Company's trade secrets. It is forbidden to use, license or transfer the Company's patented technologies, trademark rights, copyrights and other intellectual property rights without authorization. During the Year, the Group had no major violation of laws and regulations and litigation related to protection of intellectual property rights.

2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

6.2. Sustainable Supply Chain

The Group is fully aware that high-quality business development is inseparable from the support of partners. We continue to optimize procurement management, standardize supply chain management requirements, and build a responsible supply chain system, striving to achieve win-win cooperation with suppliers, build sustainable business relationships, and work together to create a better future.

6.2.1 Procurement Management

Adhering to the procurement principles of “fairness, openness, justice, honesty and credibility”, the Group formulated the Suppliers Management Measures of Dynagreen Environmental Protection Group Co., Ltd. and revised the Procurement Bidding Management System of Dynagreen Environmental Protection Group Co., Ltd. this year, so that standardizing the whole process management of procurement bidding and suppliers, improving business efficiency and economic benefits, and preventing and controlling supply chain and procurement risks.

The Group’s upstream suppliers include construction enterprises, installation enterprises, suppliers of waste treatment and waste-to-energy equipment (such as incinerators, flue gas treatment systems, steam turbine generator sets, waste heat boilers, etc.). We mainly purchase engineering equipment, various consumables and construction and installation services; suppliers are generally divided into three categories, i.e. integrated suppliers of the Group, integrated suppliers of subsidiaries, and special suppliers. For all kinds of suppliers, we adopt the three principles of whole process management, classified management and list based management.

Whole process management principles	Classified management principles	List based management principles
<ul style="list-style-type: none"> Formulate supplier warehousing standards, use, evaluation and application of evaluation results, clarify the responsibilities of relevant departments, supervise and evaluate the management of suppliers. 	<ul style="list-style-type: none"> The procurement department establishes professional classified management of suppliers based on their main businesses, advantages and actual needs of the project. 	<ul style="list-style-type: none"> The procurement department shall establish white list, grey list and black list based on suppliers’ participation in bidding and supplier evaluation.

The total number and geographical distribution of the Group’s suppliers during the Reporting Period is as follows:

Number of suppliers	2023
Total number of suppliers	1,518
Mainland China	1,518
Hong Kong, Macao, Taiwan and overseas	0



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

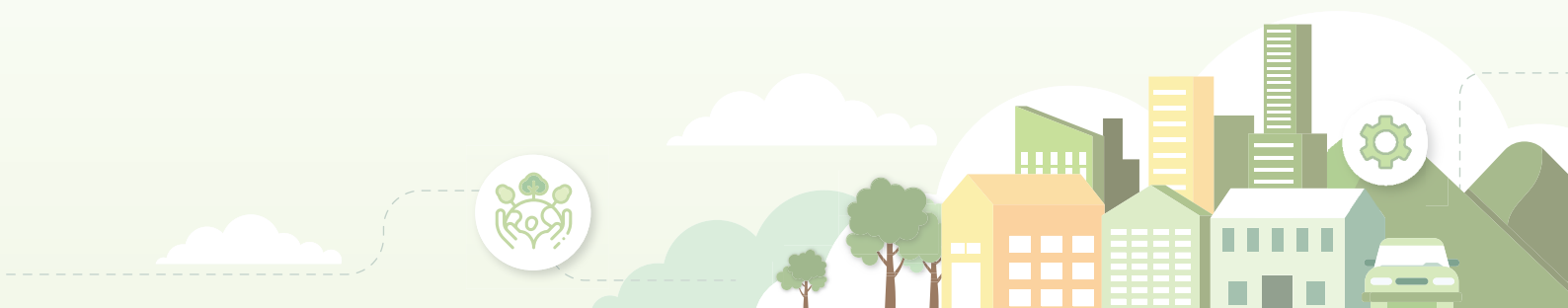
6.2.2 Sustainable Supply Chain

The Group also focuses on ESG management of suppliers. We incorporate ESG issues such as occupational health and safety, environmental protection, energy conservation and emission reduction, and business ethics into the supply chain management system, and set ESG requirements in all aspects of procurement and supplier management to ensure the effective implementation of sustainability requirements in supply chain management.

According to the requirements of relevant laws, regulations and normative documents of the state and industry and the characteristics of projects, the Group requires all construction suppliers to sign the Safety, Health and Environmental Protection agreement to strengthen the occupational health and safety and environmental protection (safety, health and environment) management during the implementation of contracted project. The agreement clarifies the responsibilities of both Party A and Party B for the management of safety, health and environment and specifies the protection measures that should be taken and the responsibilities for breach of contract, so as to minimize the occurrence of accidents, occupational diseases and environmental pollution.

Adhering to the concept of green procurement, the Group has developed a nearby sourcing strategy and prefers to choose more low-carbon and environmental friendly suppliers.

- | | |
|---|--|
| Nearby sourcing strategy | <input type="checkbox"/> For the procurement of materials and services with strong regional characteristics, such as slaked lime, hazardous goods and other materials, we try to consider the influence of regional factors, or divide the bidding section by region, giving full consideration to price and regional factors, in order to reduce the energy and carbon emissions required for long-distance transportation and reduce the impact on the environment. |
| Tendency to low-carbon and environmental friendly procurement | <input type="checkbox"/> We tend to purchase environmental friendly and low-carbon innovative technologies and products, such as changing the power frequency of some equipment into frequency conversion and introducing magnetic levitation fans, etc. The technology of changing power frequency into frequency conversion can effectively reduce energy consumption and carbon emissions, thus reducing the impact on the environment; magnetic levitation fans use a contactless and frictionless mode of movement, to reduce mechanical losses and noise pollution and also improve energy efficiency. |



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

The Group strictly implements the management of clean procurement, and takes effective measures from the aspects of procurement personnel selection, procurement platform construction, recruitment mechanism management and clean cooperation agreement, so as to avoid the occurrence of fraud and corruption.

Selection and management of procurement personnel

- The procurement department is responsible for coordinating and organizing the procurement of the Group. The procurement department establishes different positions in accordance with the principle of “scientific and efficient, clear rights and responsibilities, separation of incompatible posts, mutual restriction and supervision”.

Transparent construction of procurement platform

- The whole procurement process is carried out through the procurement platform, OA and other platforms online. Based on the relevant problems and needs in the process of use, the procurement related matters of the procurement platform and OA platform are gradually optimized and improved. In March 2023, modules for supplier management classification, bidding qualification pre-examination, collective procurement function and sales were added to the procurement platform, and the inquiry and price comparison module was improved. Subsequently, the platform was continuously adjusted and optimized according to relevant problems in use.

Fair procurement mechanism for suppliers

- All procurement projects are organized in an open manner on the Group’s procurement platform. All qualified units in the qualified supplier database can participate in the bidding independently, strictly following the principle of “openness, fairness and justice”.

Supplier integrity commitment and supervision

- All suppliers that have business cooperation with the Group are required to sign a probity commitment agreement. At the same time, the Group has established an external supervision mechanism and open complaint hotline for external personnel to report corruption in procurement activities.

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



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

7. PARTY BUILDING LEADERSHIP

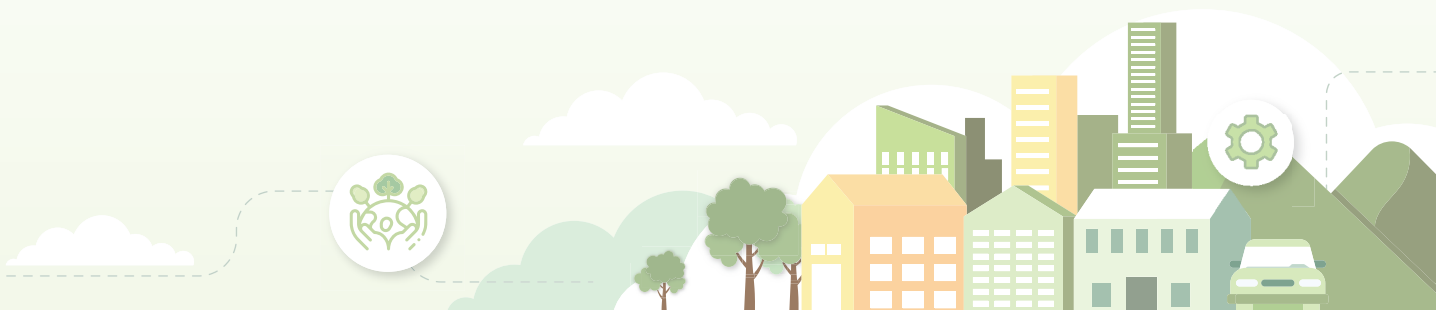
Dynagreen always adheres to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era as a guide, comprehensively implements the spirit of the 20th CPC National Congress, carries out centralized training on the spirit of the 20th CPC National Congress for all party members, and pushes the spirit of the 20th CPC National Congress to take root in the enterprise.

The Party Committee of the Group carried out in-depth education on the theme of learning and implementing Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, closely focusing on the general requirements of “learning thoughts, strengthening party spirit, emphasizing practice and building new achievements”, and with a high sense of political responsibility and a pragmatic work style. The Group organized and deployed the program carefully to promote the theme of education to go deeper and more practical. The Party Committee of the Group insists on taking the Party Constitution, Party rules and Party discipline as the ruler, and takes the problem as the guide, and effectively carries out inspections on the subordinate Party branches to realize the full coverage of inspections. The Group has continuously optimized the communication and consultation mechanism of the “three meetings” to ensure that the Party Committee, the General Office Meeting and the Board of Directors have clear responsibilities and smooth operation, so as to effectively integrate the leadership of the Party into the whole process of the Group’s reform and development as well as all aspects of its governance and operation.

Case Share

- “Deep learning, careful understanding and strengthening thoughts; earnest practice, hard work and making new achievements” themed Party day visit activity

On 7 July 2023, the Party Committee of the Group organized members of the Group leadership team, Party members at the head office of the Group, members of Shishou, Jiamusi and Dongguan Party branches working at the head office of the Group and activists of Party application to visit and study at the Shenzhen Party and Mass Service Center, to celebrate the 102nd anniversary of the founding of the Communist Party of China and carry out in-depth education on study and implementation of the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. The activity aimed at culturing souls through study, enhancing wisdom through study, upholding righteousness through study and promoting practice through study to achieve actual effects with joint efforts. Embracing “important matters of state”, we want to stimulate the spirit of entrepreneurship.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

- “Gather Strength for Development; Forge Ahead for Rejuvenation” themed Party class

Qiao Dewei, secretary of the Party Committee and chairman of Dynagreen Group, gave a Party lesson themed by "Gather Strength for Development; Forge Ahead for Rejuvenation" for Party members at the head office of the Group, emphasizing that all Party members should play a vanguard and exemplary role, adhere to system concept, problem-oriented, assumption of responsibilities, and take concrete measures to help the realization of the goals of peak carbon dioxide emission and carbon neutrality, demonstrating the responsibility of a state-owned enterprise.



Case Share

- Dynagreen Group won the third prize in the knowledge competition of “Pursuing Dreams in a New Era and Forging Ahead on a New Journey” of BSAM

In July 2023, the Party Committee of Dynagreen Group organized a team to participate in the knowledge competition of “Pursuing Dreams in a New Era and Forging Ahead on a New Journey” held by BSAM, and won the third prize. A total of 18 teams participated in the competition, focusing on the assessment of the teams’ mastery of the original report of the 20th CPC National Congress, the Constitution of the Communist Party of China, the Resolution of the Central Committee of the Communist Party of China on the Major Achievements and Historical Experience of the Party’s Centennial Struggle, and the spirit of the important speeches and instructions of the General Secretary Xi Jinping on theme education. At the final, the competitors were full of spirit and showed tacit cooperation and excellent performance, fully demonstrating the solid political theoretical knowledge foundation and the fighting spirit of forging ahead and striving to be best of the employees of Dynagreen. Finally, the team of Dynagreen won the third prize.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

- The Party Committee of Dynagreen Group held training courses for grassroots Party branch secretaries and Party cadres in 2023

The Party Committee of Dynagreen Group held training courses for grassroots Party branch secretaries and Party cadres in 2023. The training closely focused on the daily work of Party building of the Party committee including inspection, ideology, public opinion response, news writing, seven organizational life, general election, cadre selection and Party member development, etc., and the trainees received thematic tutoring through the carefully designed course contents. Through training, the Party branch secretaries and Party affairs workers could more accurately grasp the key points of Party affairs, make new achievements in the future work, move forward bravely, and promote the Party building work at the grassroots level of the Group to a new level.



8. COMMUNITY WELFARE

The Group practices corporate social responsibility and proactively participates in community support and construction, with a view to satisfying people’s yearning for a better life. During the Year, the Group took the initiative to participate in charity and environmental protection public welfare activities, including kindly helping people in need, carrying out environmental publicity and knowledge popularization, helping waste disposal, etc.

In terms of charity and public welfare, we mainly give back to society through material assistance, financial assistance and heart-warming condolences. Our main charitable actions and forms of assistance are shown below. During the Year, the Group donated a total of RMB7.58 million in cash and RMB340,000 in goods, showing the responsibility of a state-owned enterprise.

Action	Form
Condolences to surrounding villagers of Qingkoujian, Rushan	Material assistance
Spring Festival condolences to Tiantou Village, Huizhou	Financial assistance
Assistance to poor families and sanitation workers of Xinxin Village, Bajifu Sub-district, Wuhan	Financial assistance, material assistance
Visit to and condolences to Henggang Village, Fengcheng	Material assistance
Spring Festival condolences to Niutang Town fire detachment in Wujin District, Changzhou	Material condolences
Assistance to people in difficulties and activity of bringing coolness in Summer in Anjiao Village, Chaoyang District, Shantou	Material assistance
Village and enterprise co-construction of Qingyun Village and Houshu Village, Niutang Town, Wujin District, Changzhou	Financial assistance
Village and enterprise co-construction of Jizhou	Financial assistance
Afforestation in Anjiao Village, Heping Town, Chaoyang District, Shantou	Material assistance
Condolences of bringing coolness to sanitation workers of Rushan City	Material assistance
Condolences to poor students in Nanpiao District, Huludao	Financial assistance
Sprinkling for dusting for “Xingan Avenue” in Anluo Township, Jinsha County	Financial assistance
Condolences of front-line sanitation workers in Jizhou District	Material assistance

2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") REPORT (CONTINUED)

Case Share

- "Love of Nangong offers warmth" Nanshan District Nangong Foundation provides assistance and make donations

On the afternoon of 17 June 2023, the "Love of Nangong offers warmth" Nanshan District Nangong Foundation donation conference was held at Shenzhen Bay Sports Center. The labor union of the Group, with the purpose of proactively performing its social responsibility and demonstrating the responsibility as a state-owned enterprise, proactively responded to the initiative of the superior labor union and donated RMB20,000 to Nanshan District Nangong Foundation. Meanwhile, Nanshan District Nangong Foundation issued the "Caring Enterprise" certificate to Group for its good deeds.



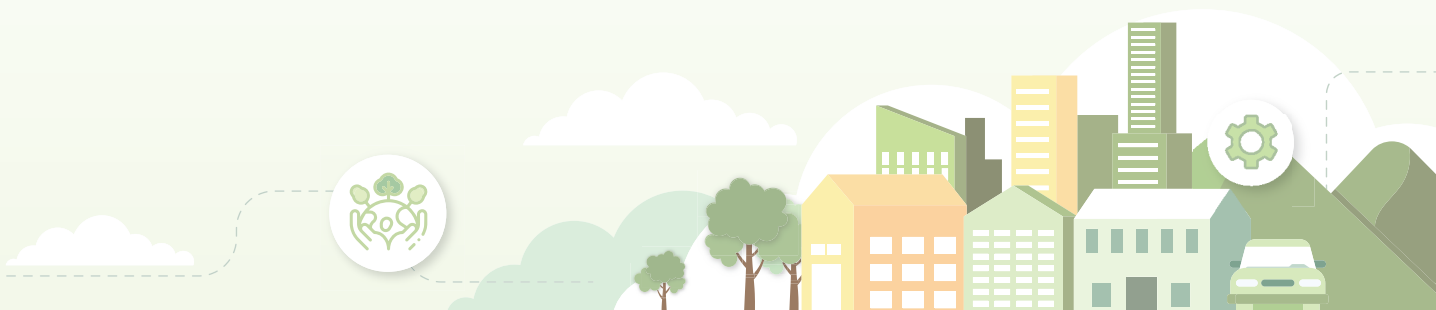
2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

In terms of environmental protection and public welfare, in 2023, the Group, on the basis of doing a good job in the main business of waste incineration and power generation, proactively carried out environmental publicity and knowledge popularization, garbage clean-up and other activities to raise public awareness of environmental protection, and gained the recognition of all walks of life and won a number of important honors: Bengbu Project was awarded the “Domestic Waste Classification Publicity and Education Base” by the Ministry of Housing and Urban-Rural Development; Huizhou, Ninghe, Bengbu and other projects were evaluated as provincial education bases; Tongzhou and Miyun companies were evaluated as Beijing’s “common cast integrity enterprises”; Jurong company was evaluated as Jiangsu Province’s green development leader; Wuhan company was evaluated as the environmental enforcement battlefield in waste incineration industry.

Case Share

- Volunteer service activity of publicity on waste classification and environmental protection knowledge of Beijing Dynagreen

On 7 May 2023, Beijing Dynagreen Environment Co., Ltd. received 47 people consisting of students from Tongzhou No. 6 Middle School under the leadership of the new era civilization practice volunteer service corps of Tongzhou District for a volunteer service activity of publicity on environmental protection knowledge themed by “waste can be turned into treasure and waste classification is more environmental friendly”. The activity was carried out in the form of on-site slide explanation, watching theme promotional videos, and on-site waste classification experience, etc. Through this activity, students' awareness of environmental protection was enhanced, and they learned more about the importance of environmental protection knowledge and environmental laws and regulations, enhancing their awareness and responsibility of environmental protection. We set up a waste classification experience area to introduce waste classification knowledge and provide guidance on correct waste classification on site. Through online operation, students understood the importance and methods of waste classification, so as to reduce environmental pollution.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") REPORT (CONTINUED)

Case Share

- Dynagreen 2023 "World Environment Day" themed activity

On 5 June 2023, the World Environment Day, the project companies of Dynagreen Group carried out various environmental protection activities with the theme of "World Environment Day", and the community residents, primary and secondary school students, and the public of the plants proactively participated in the activities. Through the form of publicity on environmental protection, lectures on environmental protection knowledge, public welfare visits, condolences to front-line sanitation workers, environmental protection knowledge competitions, etc., we called on everyone to pay attention to ecology and care for the environment, to popularize the concept of environmental protection and build a modern and beautiful living environment with harmonious coexistence of human and nature.

**Case Share**

- Dynagreen Huiyang Environmental Youth Commando is in action

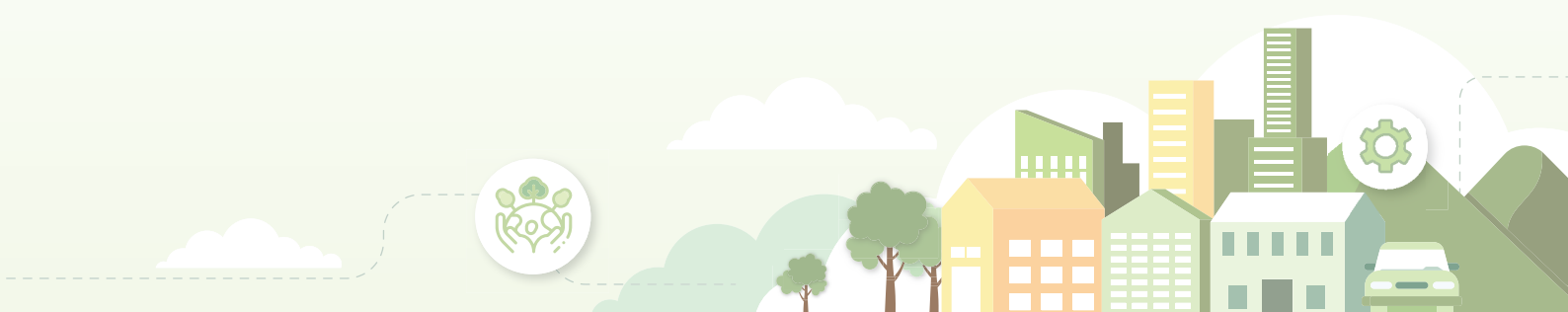
On every "4 May • Youth Day" and "5 June • Environment Day", Huiyang Youth Commando will become environmental volunteers and send "environmental protection packages" to the general public with practical actions. Through collection, cleaning, classification, transfer and other means, they will assist local environmental health departments and communities to deal with domestic waste, sludge and kitchen waste in Huiyang and Daya Bay, so as to make the city cleaner and the home better.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

Appendix 1. List of Awards of Dynagreen in 2023**List of Awards of Dynagreen Group in 2023**

- 2023 Top 10 Most Influential Solid Waste Enterprises
- 2023 Shenzhen Top 500 Enterprises
- Unit participating in editing Technical Specification for Collaborative Disposal of Sludge by Domestic Waste Incinerators (《生活垃圾焚燒爐協同處置污泥技術規範》) (T/ACEF067-2023)
- Special Support Unit of 2023 Annual Meeting of China Association of Urban Environmental Sanitation and CAUES Expo
- Advanced Collective of Ecological Environment of Shenzhen City
- National Enterprise Culture Outstanding Achievement Award
- Enterprise rated with AAA
- A No.50 in Top 100 ESG Enterprises of Guangdong-Hong Kong-Macao Greater Bay Area
- “Love of Nangong offers warmth” Caring Enterprise of Nanshan District Nangong Foundation



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

Appendix 2. Table of Key ESG Performance Data of Dynagreen in 2023**Environmental**

Key Performance Indicators		Unit	2023	
Business	Waste treatment volume	tons	12,269,330.59	
	Electricity generation volume	'0,000 kWh	474,363	
Emissions	Wastewater	Total COD emissions	tons	11
		Total wastewater discharge	tons	658,958
		Wastewater discharge intensity	tons/RMB1 million of income	166.10
	Exhaust gas	Nitrogen oxide emissions	tons	5,256
		Sulphur dioxide emissions	tons	1,203
		Smog emissions	tons	139
		Hydrogen chloride emissions	tons	668
		Total exhaust gas emissions	tons	7,266
		Exhaust gas emission intensity	tons/RMB1 million of income	1.84
	Greenhouse gas	Greenhouse gas emissions (Scope 1)	Tons of carbon dioxide equivalent	28,068
Greenhouse gas emissions (Scope 2)		Tons of carbon dioxide equivalent	138	
Total greenhouse gas emissions		Tons of carbon dioxide equivalent	28,206	
Greenhouse gas emission intensity		Tons of carbon dioxide equivalent/RMB1 million of income	7.13	
Hazardous waste	Total hazardous waste	tons	429,170	
	Hazardous waste intensity	tons/RMB1 million of income	108.45	
Non-hazardous waste	Total non-hazardous waste	tons	3,382,776	
	Non-hazardous waste intensity	tons/RMB1 million of income	854.97	

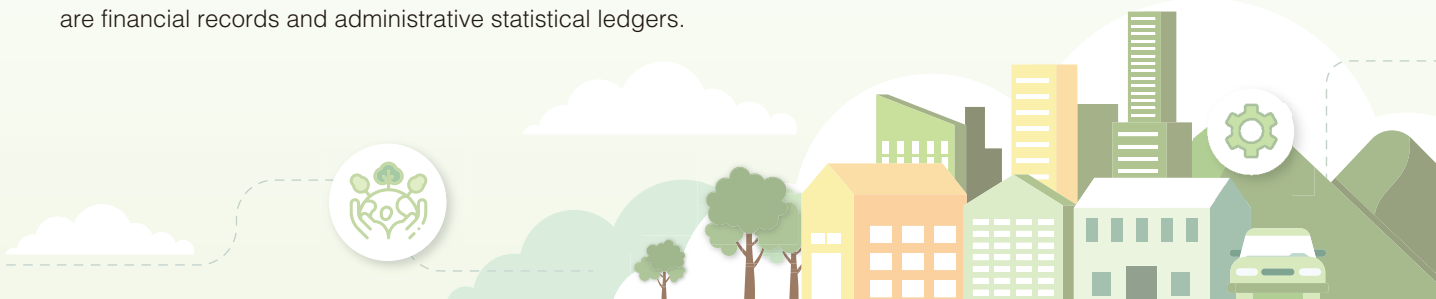


2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

Key Performance Indicators		Unit	2023
Energy	Electricity consumption at the Group’s head office (purchased)	kWh	242,083
	Electricity consumption of plants (self-generated)	’0,000 kWh	77,042
	Natural gas for boilers	cubic meter	448,892
	Diesel for boilers	tons	9,261
	Diesel for machinery and vehicles	tons	189
	Total energy consumption	’0,000 kWh	11,884
	Energy consumption intensity	’0,000 kWh/ RMB1 million of income	3.00
Resources	Water consumption	tons	20,012,178
	Water consumption intensity	tons/RMB1 million of income	5,058
Compliance	Emissions exceeding environmental protection standards	times	0
	Fines and prosecutions due to noncompliance with environmental protection laws and regulations	times	1

Explanations on environmental data and coefficient

1. The time span of environmental data is from 1 January 2023 to 31 December 2023; the scope of data collection covers the head office of Dynagreen Group in Shenzhen and the plants of 32 subordinate project companies.
2. Greenhouse gas emissions (Scope 1) mainly come from diesel and natural gas combustion in boilers, and greenhouse gas emissions (Scope 2) are generated from purchased electricity of the head office of the Group. Data sources are bills of payment of relevant expenses and administrative statistical ledgers. The greenhouse gas emission coefficient of purchased electricity is calculated with reference to the Notice on Management of Greenhouse Gas Emission Reporting by Enterprises in the Power Generation Industry in 2023 to 2025 issued by the Ministry of Ecology and Environment, and the emission coefficient of other energy sources is calculated with reference to the Reporting Guidance on Environmental KPIs issued by the Hong Kong Stock Exchange.
3. The types of energy consumed by the Group in 2023 include fuel oil for official vehicles and purchased electricity. The sources of data are bills of payment for relevant expenses and administrative statistical ledgers; the energy consumption coefficient is calculated with reference to the conversion factor provided by the International Energy Agency and the national GB/T 2589–2008 General Rules for Calculation of Comprehensive Energy Consumption.
4. Hazardous wastes mainly include fly ash, waste engine oil, waste lubricating oil, waste engine oil barrels, waste cloth bags, etc.
5. Non-hazardous waste is mainly slag.
6. The water used by the Group comes from the water supply from the municipal pipe network, and the data sources are financial records and administrative statistical ledgers.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

Social

Key Performance Indicators		2023	
Total workforce by gender, employment type, age group and geographical region			
		Number of employees (person)	Proportion (%)
By gender	Male	2,669	77.01%
	Female	797	22.99%
By employment type	Full time	3,466	100%
	Part time	0	0%
By age group	17-30	1,173	33.84%
	31-40	1,232	35.55%
	41-50	825	23.80%
	Above 51	236	6.81%
By geographical region	Mainland China	3,466	100%
Total workforce		3,466	
Employee turnover rate by gender, age group and geographical region			
		Number of resigned employees (person)	Turnover rate (%)
By gender	Male	353	13.23%
	Female	78	9.79%
By age group	17-30	225	19.18%
	31-40	119	9.66%
	41-50	60	7.27%
	Above 51	27	11.44%
By geographical region	Mainland China	431	12.44%



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

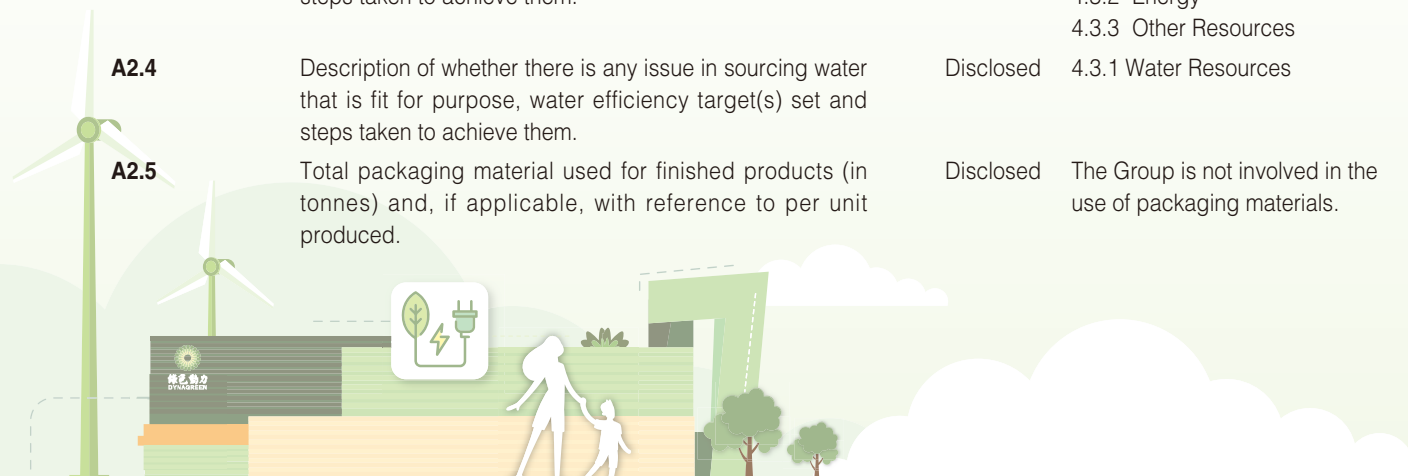
Key Performance Indicators		2023	
Health and Safety			
Number of work-related fatalities		0	
Lost days due to work injury		127	
Fines and prosecutions due to non-compliance with laws and regulations related to health and safety		0	
Training data of employees by gender and rank			
		Trainee ratio in 2023	Per capita training hours in 2023
All employees of the Group		100%	11.26
By gender	Male	100%	11.43
	Female	100%	10.69
By rank	Senior management	100%	16.92
	General management	100%	18.80
	Non-management employees	100%	10.95



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

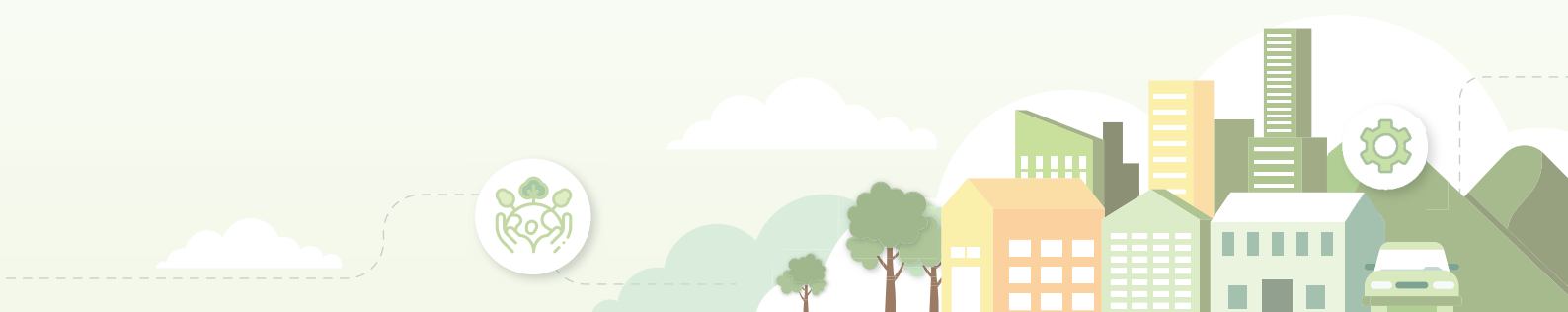
Appendix 3. Index of the ESG Reporting Guide of the Hong Kong Stock Exchange

ESG indicators		Disclosure	Corresponding section
A1 General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Disclosed	4.1 Environmental Management System
A1.1	The types of emissions and respective emissions data.	Disclosed	4.2.5 Environmental Emission Data
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	4.4.1 Greenhouse Gas Emissions
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	4.2.5 Environmental Emission Data
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	4.2.5 Environmental Emission Data
A1.5	Description of emissions target(s) set and steps taken to achieve them.	Disclosed	4.2 Environmental Pollution Prevention and Control 4.3.1 Water Resources
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Disclosed	4.2.3 Waste Management 4.2.5 Environmental Emission Data
A2 General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Disclosed	4.3 Use of Resources
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Disclosed	4.3.4 Resources Use Data
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Disclosed	4.3.4 Resources Use Data
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Disclosed	4.3.1 Water Resources 4.3.2 Energy 4.3.3 Other Resources
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Disclosed	4.3.1 Water Resources
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Disclosed	The Group is not involved in the use of packaging materials.



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

ESG indicators		Disclosure	Corresponding section
A3 General Disclosure	Policies on minimising the issuer’s significant impacts on the environment and natural resources.	Disclosed	6.1.2 Technological Innovation and Development
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Disclosed	6.1.2 Technological Innovation and Development
A4 General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Disclosed	4.4.2 Analysis on Climate Risks
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Disclosed	4.4.2 Analysis on Climate Risks
B1 General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Disclosed	5.2.2 Employee Care and Welfare
B1.1	Total workforce by gender, employment type (for example, full – or part-time), age group and geographical region.	Disclosed	5.2.2 Employee Care and Welfare
B1.2	Employee turnover rate by gender, age group and geographical region.	Disclosed	5.2.2 Employee Care and Welfare
B2 General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Disclosed	5.1 Health and Safety
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Disclosed	5.1 Health and Safety
B2.2	Lost days due to work injury.	Disclosed	5.1 Health and Safety
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Disclosed	5.1 Health and Safety



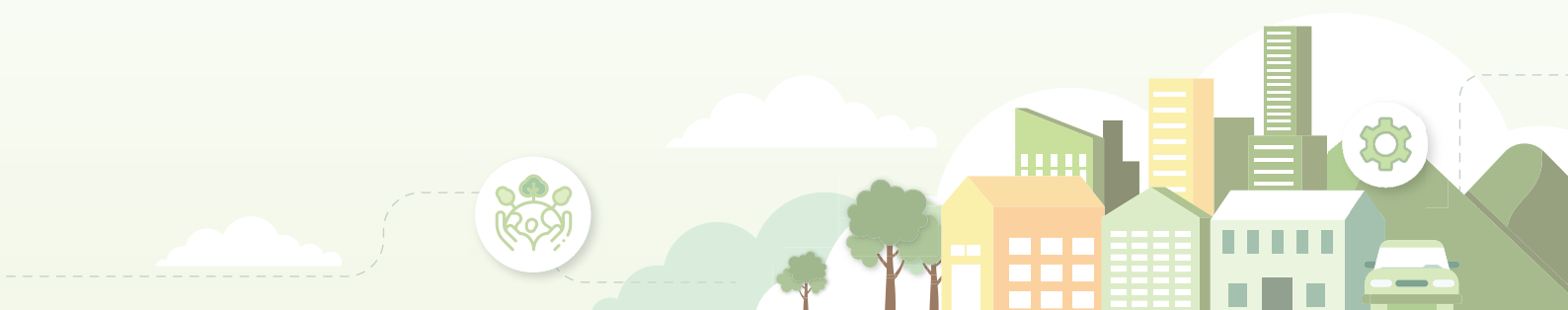
2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

ESG indicators		Disclosure	Corresponding section
B3 General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Disclosed	5.2.3 Employee Development and Training
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Disclosed	5.2.3 Employee Development and Training
B3.2	The average training hours completed per employee by gender and employee category.	Disclosed	5.2.3 Employee Development and Training
B4 General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Disclosed	5.2.1 Employee Recruitment and Labor Standard
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Disclosed	5.2.1 Employee Recruitment and Labor Standard
B4.2	Description of steps taken to eliminate such practices when discovered.	Disclosed	5.2.1 Employee Recruitment and Labor Standard
B5 General Disclosure	Policies on managing environmental and social risks of the supply chain.	Disclosed	6.2 Sustainable Supply Chain
B5.1	Number of suppliers by geographical region.	Disclosed	6.2 Sustainable Supply Chain
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Disclosed	6.2 Sustainable Supply Chain
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Disclosed	6.2 Sustainable Supply Chain
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Disclosed	6.2 Sustainable Supply Chain



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

ESG indicators		Disclosure	Corresponding section
B6 General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Disclosed	6.1 Business Assurance
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Disclosed	The Group is not involved in downstream consumption.
B6.2	Number of products and service related complaints received and how they are dealt with.	Disclosed	The Group has received no complaints about products or services.
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Disclosed	6.1.3 Protection of Intellectual Property Rights
B6.4	Description of quality assurance process and recall procedures.	Disclosed	6.1.1 Power Supply Quality Management
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Disclosed	The Company does not involve downstream consumers.
B7 General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Disclosed	3.2 Business Ethics and Anti-corruption
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Disclosed	3.2 Business Ethics and Anti-corruption
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Disclosed	3.2 Business Ethics and Anti-corruption
B7.3	Description of anti-corruption training provided to directors and staff.	Disclosed	3.2 Business Ethics and Anti-corruption
B8 General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities’ interests.	Disclosed	8. Community Welfare
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Disclosed	8. Community Welfare
B8.2	Resources contributed (e.g. money or time) to the focus area.	Disclosed	8. Community Welfare



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

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

ESG Guide of the Hong Kong Stock Exchange	Relevant laws and regulations	Disclosure of compliance	Methods to ensure compliance with relevant laws, regulations and rules
A1 Emissions	<ul style="list-style-type: none"> • Environmental Protection Law of the People’s Republic of China • Environmental Impact Assessment Law of the People’s Republic of China • Regulations on Environmental Protection Management of Construction Projects • Law of the People’s Republic of China on Air Pollution Prevention and Control • Water Pollution Prevention and Control Law of the People’s Republic of China • Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste • Administrative Measures for Hazardous Waste Operation Permits • Administrative Measures for Hazardous Waste Transfer Forms • Law of the People’s Republic of China on the Prevention and Control of Environmental Noise Pollution • Management Measures for Environmental Monitoring • Management Measures for Automatic Monitoring of Pollution Sources • Regulations on Management of Pollution Discharge Permits • Management Measures for Municipal Domestic Waste • Regulations on the Administration of Compensation for Ecological Environmental Damage • Management Measures for Legal Disclosure of Enterprise Environmental Information • Technical Specification for Setting Hazardous Waste Identification Marks • Standards on Storage Pollution Control of Hazardous Waste • Measures for Administrative Punishment of Ecological Environment • Technical Specification for QR Code Identification at Pollutant Discharge Outlet of Pollutant Discharging Unit • Technical Specification for Quality Verification of Pollutant Discharge Permit 	<p>During the Year, the Group had no serious violations of environmental laws and regulations or non-compliance, nor did it receive any complaints related to environmental protection.</p>	<p>Strict compliance with environmental protection laws and regulations, treatment and disposal of waste gas, wastewater, solid waste and noise emissions in accordance with national laws and regulations, to avoid, reduce and control environmental pollution caused by daily operations.</p> <p>For more information about Dynagreen’s compliance with environmental laws and regulations, please refer to the chapter headed “Environmental Protection” in the Report.</p>



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

ESG Guide of the Hong Kong Stock Exchange	Relevant laws and regulations	Disclosure of compliance	Methods to ensure compliance with relevant laws, regulations and rules
B1 Employment	<ul style="list-style-type: none"> • Technical Guide for On-site Supervision and Inspection of Solid Waste Incineration Power Plants • Technical Specification for Statistics of Ecological Environment – Statistics of Emission Sources • Measures for the Administration of Ecological and Environmental Statistics • Emission Standards for Domestic Waste Incineration • Technical Specification for Quality Verification of Pollutant Discharge Permit <ul style="list-style-type: none"> • Labor Law of the People’s Republic of China • Labor Contract Law of the People’s Republic of China • Law of the People’s Republic of China on the Protection of Women’s Rights and Interests • Social Insurance Law of the People’s Republic of China • Regulations on Paid Annual Leave for Enterprise Employees • Housing Provident Fund Management Regulations • Special Regulations on the Labor Protection of Female Employees • Regulations of the State Council on Working Hours of Employees • Minimum Wage Regulations 	<p>During the Year, the Group did not violate any laws and regulations relating to recruitment and promotion, compensation and dismissal, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p>	<p>The human resources department has established different policies in accordance with the requirements of relevant laws, and adheres to the principles of open, fair and just selection and employment; at the same time, the labor union of the Group continues to provide employees with various benefits, condolences and leisure activities.</p> <p>For more information about Dynagreen’s compliance with laws and regulations in relation to employment, please refer to the chapter headed “Recruitment and Development” in the Report.</p>
B2 Health and Safety	<ul style="list-style-type: none"> • Safety Production Law of the People’s Republic of China • Law of the People’s Republic of China on Prevention and Control of Occupational Diseases • Fire Protection Law of the People’s Republic of China • Work Injury Insurance Regulations • Regulations on the Medical Period for Enterprise Employees’ Illness or Non-work-related Injuries 	<p>During the Year, the Group did not record any work accident or violate any laws and regulations relating to the health and safety of employees.</p>	<p>Formulation of a safety management system and a safety responsibility system, strict implementation of safety production policies, provision of employees with safety protection equipment and safety education and training, and work in accordance with safety operation guidelines.</p> <p>For more information about Dynagreen’s compliance with laws and regulations in relation to safety and health, please refer to the chapter headed “Health and Safety” in the Report.</p>



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT (CONTINUED)

ESG Guide of the Hong Kong Stock Exchange	Relevant laws and regulations	Disclosure of compliance	Methods to ensure compliance with relevant laws, regulations and rules
B4 Labor Standard	<ul style="list-style-type: none"> Labor Law of the People’s Republic of China Law of the People’s Republic of China on the Protection of Minors Provisions on the Prohibition against Using Child Labor Labor Security Supervision Regulations 	During the Year, the Group had no major violations of laws and regulations or litigation related to the employment of child labor or forced labor.	<p>The Group strictly prohibits the use of child labor and forced labor.</p> <p>For more information about Dynagreen’s compliance with laws and regulations in relation to labor, please refer to the chapter headed “Employee Recruitment and Labor Standard” in the Report.</p>
B6 Product Responsibility	<ul style="list-style-type: none"> Tort Liability Law of the People’s Republic of China Product Quality Law of the People’s Republic of China 	During the Year, the Group was not aware of any major violations of laws and regulations related to product responsibility.	<p>The Group and the supply chain strictly implement the quality management system to ensure that the quality of each service complies with relevant laws and regulations and customer requirements.</p> <p>For more information about Dynagreen’s compliance with laws and regulations in relation to labor, please refer to the chapter headed “Product Responsibility” in the Report.</p>
B7 Anti-corruption	<ul style="list-style-type: none"> Anti-unfair Competition Law of the People’s Republic of China Anti-money Laundering Law of the People’s Republic of China Criminal Law of the People’s Republic of China 	During the Year, the Group had no serious violations of laws and regulations in relation to prevention of bribery, extortion, fraud and money laundering.	<p>The Group has formulated an anti-corruption system and carries out clean internal audit work. Meanwhile, integrity culture training and publicity are provided for employees.</p> <p>For more information about Dynagreen’s compliance with laws and regulations in relation to labor, please refer to the chapter headed “Business Ethics and Anti-corruption” in the Report.</p>

