



Jintai Energy Holdings Limited

金泰能源控股有限公司

(Incorporated in the Cayman Islands with limited liability) (Stock Code: 2728)

Environmental, Social and Governance Report

2023



CONTENTS

ABOUT THIS REPORT	2
REPORTING PRINCIPLES	2
INTRODUCTION	3
ESG STRATEGIES	3
STAKEHOLDERS COMMUNICATIONS	4
MATERIALITY ASSESSMENT	5
A: ENVIRONMENTAL ASPECTS	7
A1: Emissions	7
A2: Use of Resources	8
A3: The Environment and Natural Resources	9
A4: Climate Change	10
B: SOCIAL ASPECTS	11
EMPLOYMENT AND LABOUR PRACTICES	11
B1: Employment	11
B2: Health and Safety	14
B3: Development and Training	15
B4: Labour Standards	17
OPERATING PRACTICES	17
B5: Supply Chain Management	17
B6: Product Responsibility	18
B7: Anti-Corruption	19
COMMUNITY	20
B8: Community Investment	20
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING INDEX	21

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THIS REPORT

Jintai Energy Holdings Limited (the “**Company**”), together with its subsidiaries (the “**Group**”), is pleased to present this Environmental, Social and Governance Report (the “**Report**”) to provide an overview of the Group’s management of significant issues affecting our operations, including environmental, social and governance (“**ESG**”) issues.

Preparation Basis and Scope

This Report is prepared in accordance with the “Environmental, Social and Governance Reporting Guide” (“**Guide**”) as set out in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”), which discloses our practices and performance over the issue of sustainable development in a transparent and open manner, in order to increase our stakeholders’ confidence in and understanding of the Group.

This Report summarises the performance of the Group in respect of the overall environmental and corporate social responsibility. This Report was prepared in both Chinese and English and is available on the Group’s website www.jintaienergy.com. In the event of any conflict or inconsistency between the Chinese and English versions, the Chinese version shall prevail.

This Report focuses on the operation of the Group which are considered as material by the Group during the Reporting Period, that is, the operations relating to energy business which comprised mainly the trading of energy-related products; and operation of digital energy trading park. With the aim to improve the disclosure requirements in the Report, the Group takes an initiative to set up policies, record relevant data, implement and monitor measures as well as review the same regularly.

Reporting Period

This Report demonstrates our sustainability initiatives during the period from 1 January 2023 to 31 December 2023 (the “**Reporting Period**”).

Availability of This Report and Feedback

This Report is available and can be downloaded from the website of the Hong Kong Stock Exchange (www.hkexnews.hk), and the website of the Company (www.jintaienergy.com).

The Group welcomes your feedback on this Report to help us improve and strengthen our future ESG performance, strategies and reporting. Please send us your valuable opinions on the contents and presentation of this Report by email at info@jintaienergy.com.

REPORTING PRINCIPLES

The Report is aligned with the four reporting principles of “materiality”, “quantitative”, “balance” and “consistency” as follows.

Materiality: We have conducted a detailed materiality assessment to identify and evaluate the substantive topics that post relatively great impacts on the Company and its internal and external stakeholders, so as to determine the reporting scope and required information for the preparation of this report. For details of the materiality assessment, please refer to the section headed “Materiality Assessment”.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

REPORTING PRINCIPLES *(Continued)*

Quantitative: We have disclosed the ESG key performance indicators (“KPI”) in this Report which are supported by quantitative data and measurable criteria. The measurement standards, methodologies, assumption and/or calculation tools of the KPIs are disclosed and explained in this Report.

Balance: We have prepared this ESG report in a balanced way by making fair disclosures on critical aspects and a complete and comparable overview of the ESG’s policies and performance.

Consistency: We have adopted consistent reporting and calculation methodologies in the preparation of this Report. Material changes that may affect the comparison with previous reports have been explained in the corresponding section.

INTRODUCTION

The Group is principally engaged in three businesses which comprises mainly energy business which comprised mainly the trading of energy-related products; operation of digital energy trading park and provision of oil drilling services. The Group has operations mainly in the People’s Republic of China (“PRC”). Sustainable development is an integral part of the Group’s business vision and strategy in order to achieve the sustainability and development of the Group’s business. The Group is committed to operating in a manner that is economically, socially and environmentally sustainable while balancing the interests of our various stakeholders and fostering a positive impact on the society. The sustainability strategy of the Group is based on the compliance with the applicable legal and regulatory requirements, principles of sustainability and opinions from stakeholders. The Group has established and implemented various policies to manage and monitor the risks related to the environment, employment, operating practices and to enhance our social responsibility in the community. Details of the management’s approaches to sustainable development of different areas are illustrated in this Report.

ESG STRATEGIES

The Board of Directors of the Company (the “Board”) has the overall responsibility for the ESG strategies and reporting of the Group in the followings:

- Determine the overall ESG management policies, strategies, priorities and objectives;
- Evaluate the ESG-related risks of the Group;
- Ensure appropriate and effective risk management and internal control systems are well equipped to the Group;
- Review the ESG’s work progress and performance on a regular basis;
- Take appropriate measures and make recommendations in a timely manner regarding the key risks and policies implementation; and
- Review and approve the disclosure of information in the ESG Report of the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDERS COMMUNICATIONS

As stated by the Stock Exchange, stakeholder engagement is a widely-employed method for assessing materiality. By communicating with the stakeholders, corporations are able to understand their wide ranging opinions, and identify crucial environmental and social issues.

For the Group, stakeholders refer to those groups and individuals who have significant influence over the Group's business, or those who may be influenced by the Group's business. The Group's stakeholders include not only internal staffs, management and directors, but also our shareholders and investors, external customers, business partners and suppliers, regulators and various community groups. In the Reporting Period, we have communicated with key stakeholders in various ways. In the preparation of this Report, the Group has conducted a substantive analysis by interviewing with the management to clarify important reporting issues and to determine the direction of the Group's sustainable development.

Methods of Communications with the Stakeholders and their key issues of concerns during the Reporting Period are listed out as below:

Stakeholders	Issues of Concerns	Engagement Channels
Directors and employees	<ul style="list-style-type: none">➤ Remuneration and benefits➤ Occupational health and safety➤ Equal opportunities➤ Employee training and education➤ Working environment➤ Career development opportunities	<ul style="list-style-type: none">➤ Training, seminars, briefing sessions➤ Regular meetings and communications➤ Email and hotline➤ Performance appraisal interviews
Customers	<ul style="list-style-type: none">➤ Quality of products and services➤ Business ethics➤ Protection of customer privacy➤ Stable relationship➤ Comply with relevant laws and regulations	<ul style="list-style-type: none">➤ Company website and published financial reports➤ Email and hotline➤ Client visits and meetings
Suppliers and business partners	<ul style="list-style-type: none">➤ Long-term partnership➤ Supply chain management➤ Business ethics and reputation	<ul style="list-style-type: none">➤ Business meetings, phone calls and interviews➤ Review and assessment➤ Business visit
Investors and shareholders	<ul style="list-style-type: none">➤ Corporate governance➤ Laws and regulatory compliance➤ Business ethics and anti-corruption➤ Return on investment➤ Information disclosure and transparency	<ul style="list-style-type: none">➤ Annual general meetings and other general meetings➤ Company announcements, circulars and financial reports➤ Company hotline and email➤ Company website

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDERS COMMUNICATIONS *(Continued)*

Stakeholders	Issues of Concerns	Engagement Channels
Government and regulatory authorities	<ul style="list-style-type: none"> ➤ Laws and regulatory compliance ➤ Business ethics and anti-corruption ➤ Responding to climate change 	<ul style="list-style-type: none"> ➤ Written or electronic correspondences ➤ Tele-conferences ➤ Information disclosures
Public and communities	<ul style="list-style-type: none"> ➤ Environmental protection ➤ Social welfare ➤ Community investments 	<ul style="list-style-type: none"> ➤ ESG reports ➤ Company website ➤ Financial reports

MATERIALITY ASSESSMENT

According to the actual development of the Group and its ESG system, as well as the ESG substantive topic analysis model of the Company, substantive topics that post relatively great impacts on the Company and its stakeholders were identified. The Group invited certain internal and external stakeholders to participate in survey and carry out the materiality assessment of ESG to further determine the focus of the ESG report.

The steps for assessing the materiality and importance of the ESG aspects are set out as follows:

Step 1: Identification

The relevant ESG substantive topics were identified by the Group through the review of the actual development of the Group and the latest sustainability trends in the industry as well as and the requirements of “ESG Reporting Guide”. 19 potential substantive ESG topics with relatively significant impacts to the Group’s business and stakeholders were identified and stated in “Step 3: Prioritisation”.

Step 2: Research and Analysis

The Group communicated with stakeholders by conducting questionnaires and interviews to assess the substantive ESG topics that they consider to be important to the Group’s strategic and business development.

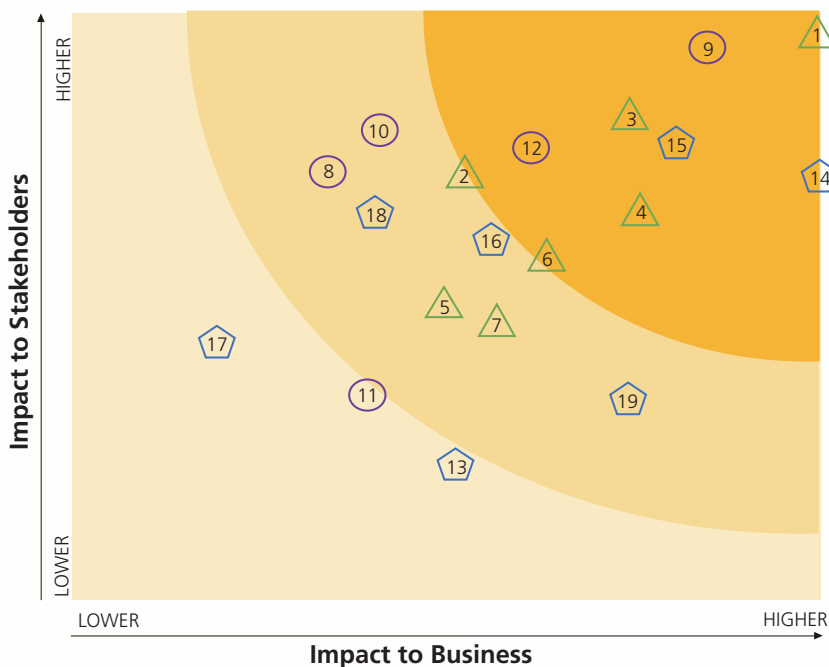
Step 3: Prioritisation

All the substantive ESG topics were prioritized based on the materiality assessment result. The Group takes into account the materiality to stakeholders and materiality to business that are important to the business development and the materiality analysis shown as below. The substantive ESG topics that fall within the top right-hand part are of the highest importance.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

MATERIALITY ASSESSMENT *(Continued)*

Step 3: Prioritisation *(Continued)*



Environmental

1. Pollutant emission
2. Non-hazardous waste discharge
3. Energy consumption
4. Water consumption
5. Efficient utilization of resources
6. Energy saving measures
7. Climate change

Labour

8. Equal opportunities
9. Occupational Health and Safety
10. Employment environment improvement
11. Employee training and education
12. Prohibition of child and Force Labour

Operational

13. Management of social responsibility of suppliers
14. Supply chain management
15. Quality of products and services
16. Quality control management
17. Complaints handling
18. Consumer privacy protection
19. Anti-corruption and anti-money laundering

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A: ENVIRONMENTAL ASPECTS

A1: EMISSIONS

The Group is committed to supporting environmental sustainability. The Group strictly abides by the national and regional environmental laws and regulations such as the Law of the PRC on Environmental Protection 《中華人民共和國環境保護法》, the Law of the PRC on Environmental Impact Appraisal 《中華人民共和國環境影響評價法》, the Law of the PRC on the Prevention and Control of Environment Pollution by Solid Waste 《中華人民共和國固體廢物污染環境防治法》 and the Law of the PRC on Pollution Prevention and Control (《中華人民共和國污染防治法》), and implement environmental protection policies, to ensure our fulfilment of environmental protection obligations, and monitor and manage the emissions generated during the Group's operation.

During the Reporting Period, the air pollutants emitted by the Group were mainly from fuel consumption attributed to the use of company vehicles. Greenhouse gas emissions were emitted from the Group's operations. It is key to implement emission control measures to reduce the environmental impacts as well as to protect the health of employees. The Group strives to mitigate the generation of air pollutants, direct and indirect emissions by gradually switching to a low-carbon business model and exploring other sustainable investments opportunities. The Group also arranged virtual meetings to replace physical meetings and work from home arrangements as far as was practicable to minimize physical travels which led to reduction in emissions of air pollutants and greenhouse gas emission during the Reporting Period.

Description of air pollutants	Unit	Emission intensities (in kg/total number of employees)		Emission intensities (in kg/total number of employees)	
		Total amount in 2023	number of employees in 2023	Total amount in 2022	number of employees in 2022
Nitrogen oxides (NO _x)	kg	0.45	< 0.004	–	–
Sulphur dioxide (SO _x)	kg	0.05	< 0.001	–	–
Particulate matter (PM)	kg	0.08	< 0.001	–	–

Description of GHG emissions	Unit	Total amount		Changes
		in 2023	in 2022	
Scope 1 — direct emissions	mt	3.86	–	Increased by 3.86
Scope 2 — indirect emissions (electricity)	mt	4.82	6	Decreased by 1.18
Scope 3 — Other indirect emissions (employees taking business trips by planes)	mt	0.96	0.94	Increased by 0.02
Total emissions	mt	9.64	7	Increased by 2.64
Total emissions density — by employee	Per employee/mt	0.08	0.04	Increased by 0.04
Indirect emissions density — by employee	Per employee/mt	0.05	0.04	Increased by 0.01

The Group's core business, i.e. energy business comprising mainly the trading of energy related products, and operation of digital energy trading park is closely related to the natural resources. The Group will continue to take environmental and social factors into consideration when providing its services and to explore business opportunities for sustainable development.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A: ENVIRONMENTAL ASPECTS *(Continued)*

A1: EMISSIONS *(Continued)*

The Group's operations do not involve the production of hazardous wastes. Regarding the non-hazardous wastes of the Group, it is mainly generated from the office of the Group. The Group strives to reduce the amount of wastes generated from office operations and strengthen the environmental awareness of employees by launching waste recycling and implemented different measures, such as, used paper and plastic materials are collected in the office for recycling purpose, encourage employees to reuse stationery and use double-sided printing. The Group hopes to ease the pressure on landfill space and protect the environment.

Description of resource consumption/emissions	Unit	Total amount in 2023	Total amount in 2022	Changes	Unit	Total amount in 2023	Total amount in 2022	Changes
Hazardous waste	mt	nil	nil	N/A	Per employee/mt	nil	nil	N/A
Non-hazardous waste — sewage and solid waste in offices	mt	82	97	Decreased by 15	Per employee/mt	0.7	0.6	Increased by 0.1

During the Reporting Period, the Group did not have any material non-compliance relating to air and greenhouse gas emissions (“**GHG emissions**”), generation of hazardous and non-hazardous wastes.

The Group monitors and reviews its operation processes regularly which aims to reduce air pollutants, emissions, non-hazardous wastes and energy consumption. For the year 2024, the Group will continue to strengthen the improvement measures and management approaches of waste emissions, and set the targets of achieving a 5% reduction in major air pollutants, emissions and non-hazardous wastes in 2028.

A2: USE OF RESOURCES

In addition to adjusting its business development strategy, the Group places equal emphasis on applying green office practices in our daily operations. Electricity is one of the main energy and resource consumption. Under the “Office Management Regulations of the Group”, energy conservation is set as one of the Group’s employee discipline requirements. The employees are expressly required to turn off idle lights, computers, air conditioners and other electrical appliances to reduce energy consumption. The Group sets the targets of achieving a 5% reduction in major energy and water consumption in 2028.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A: ENVIRONMENTAL ASPECTS *(Continued)*

A2: USE OF RESOURCES *(Continued)*

Description of resource consumption/emissions	Unit	Total amount in 2023	Total amount in 2022	Changes	Unit	Total amount in 2023	Total amount in 2022	Changes
Electricity	KWh	8,024	9,527	Decreased by 1,503	Per employee/ KWh	70	60	Increased by 10

Papers is another resource which is heavily consumed by the Group in our office operations. The Group encourages employees to reduce paper consumption by implementing the “Office Management Regulations of the Group on Reducing Paper Consumption” (the “**Office Regulations**”) and by posting reminders in the offices. The Office Regulations specify various ways to reduce paper consumption, including double-sided printing, electronic file transmission whenever possible, and font and page margin adjustment in order to encourage employees to develop a habit of using less papers in their daily works. In addition to reduce wastes at source, the Group requires that recycled papers be used for envelopes whenever possible. We also place recycling bins in the office to collect and recycle paper that is fit for re-use. To ensure that the Office Regulations are properly observed, the Group has designated employees responsible for monitoring paper consumption.

Description of resource consumption/emissions	Unit	Total amount in 2023	Total amount in 2022	Changes	Unit	Total amount in 2023	Total amount in 2022	Changes
Paper	kilogram	122	155	Decreased by 33	Per employee/ kilogram	1	1	-

The efficient use of water resources is also one of the Group’s initiatives to promote resources conservation, in addition to the conservation of the usage of electricity and paper. The Group’s water consumption is relatively insignificant and it mainly involves the use of tap water in our office operations. The Group did not have any issue in sourcing water that is fit for purpose. With the implementation of our “Pantries Management Regulations” and the posting of reminders, employees are encouraged to conserve water. The Group’s daily operations do not involve large amount of pollutants such as exhaust gas emissions and wastewater discharge. During the Reporting Period, the Group did not have any non-compliance relating to discharges into water and land.

Description of resource consumption/emissions	Unit	Total amount in 2023	Total amount in 2022	Changes	Unit	Total amount in 2023	Total amount in 2022	Changes
Water	cubic meter	238	306	Decreased by 68	Per employee/ cubic meter	2	2	-

A3: THE ENVIRONMENT AND NATURAL RESOURCES

With the aforementioned measures to reduce emissions, waste and resources consumption, the Group strives to enhance environmental sustainability and minimize its negative impacts on the environment and natural resources. The Group has formulated environmental policies and procedures to assess the environmental risks and adopted measures to reduce the same.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A: ENVIRONMENTAL ASPECTS *(Continued)*

A4: CLIMATE CHANGE

The Group is aware that climate changes would have significant impact on its business operations and its property may be damaged by extreme weather conditions, e.g. typhoons and rainstorms, which may further affect the safety of employees. During the Reporting Period, the Group identified and evaluated the climate-related risks assessed their potential financial impacts, and steps taken to manage the risks.

In the future, the Group will continue to closely monitor the effect and potential risks of climate change, and to improve and implement the measures taken to reduce such climate-related risks.

Type	Climate-Related Risks	Potential Financial Impact	Steps Taken to Manage the Risks
Physical Risks	Acute Extreme weather events with increased severity such as flooding, storm surges and hurricanes	<ul style="list-style-type: none"> Damage to offices and disruption to human resources Cause supply chain interruption 	<ul style="list-style-type: none"> Formulate typhoon and rainstorm arrangement in advance Arrange work-from-home plans for employees Relocate some affected employees of the Group to another place which is not affected by such extreme weather Reschedule the delivery time of products to customers
	Chronic Long-term shifts in weather patterns	<ul style="list-style-type: none"> Increase of capital costs Increase of operating costs Increase of human resources costs and insurance premium 	<ul style="list-style-type: none"> Closely monitor assets or business activities vulnerable to material climate-related physical risks
Transition Risks	Technology	<ul style="list-style-type: none"> Increase procurement costs to introduce new and alternative technologies Increase of cost of adopting/ deploying new practices and processes 	<ul style="list-style-type: none"> Prepare budgets for expenditures and capital investments in new and alternative technologies
	Policy and legal term	<ul style="list-style-type: none"> Implementation of environmental laws with more stringent requirements on climate disclosures and carbon emissions which increase the operating costs 	<ul style="list-style-type: none"> Pay attention to the changes in laws, regulations and policies which related to the Group's business and formulate countermeasures in a timely manner
	Market	<ul style="list-style-type: none"> Increase of production costs due to changing input prices, including energy, water, and output requirements such as waste treatment 	<ul style="list-style-type: none"> Promote low energy consumption and resources planning Promote the internal reuse of materials

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B: SOCIAL ASPECTS EMPLOYMENT AND LABOUR PRACTICES

B1: EMPLOYMENT

Staff are the most valuable asset of the Group and the cornerstone of its continued growth. The remuneration and benefits provided by the Group to its staff are in compliance with the relevant laws and regulations in China, and are no less than the statutory minimum wages and compensation under any circumstances. With the commitment to the philosophy of “maintaining balance between employee benefits and shareholder interests”, the Group provides competitive remuneration packages for its employees. After one year of service with the Group, employees will be assessed in terms of their capabilities and performances, and provided with opportunities for salary increment or promotion if appropriate as an incentive to attract and retain outstanding and competent staff to boost the sustainable development of the Company. With respect to employee benefits, the Group treats every employee equally, regardless of their positions, gender, age, nationality, marital status, disability, race, colour and religion. The Group strictly prohibits any kind of discrimination at workplace, and aims to provide an equitable working environment for its employees.

The Group is committed to creating an environment where our staff can strike a work-life balance. The Group adopts best practices and in compliance with the following laws and regulations. These include, but not limited to:

- Labour Law of the PRC《中華人民共和國勞動法》;
- Labour Contract Law of the PRC《中華人民共和國勞動合同法》;
- Law of the PRC on the Protection of Rights and Interests of Women《中華人民共和國婦女權益保障法》;
- Law of the PRC on the Protection of Minors《中華人民共和國未成年人保護法》;
- Law of the PRC on the Protection of Disabled Persons《中華人民共和國殘疾人保障法》;
- Trade Union Law of the PRC《中華人民共和國工會法》;
- Special Rules on the Labour Protection of Female Employees《女職工勞動保護特別規定》;
- Provisions on the Prohibition of Using Child Labour《禁止使用童工規定》; and
- Employment Ordinance (Chapter 57 of the laws of Hong Kong).

The Group did not have any non-compliance relating to employment and labour practices during the Reporting Period. In addition to strictly comply with the national legal and regulatory requirements for employees' working hours and providing employees with statutory holidays, the Group also provides extra holidays to employees to meet the needs of their personal life. For example, employees who have served the Group for over two years are entitled to have paid maternity leave.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B: SOCIAL ASPECTS *(Continued)*

EMPLOYMENT AND LABOUR PRACTICES *(Continued)*

B1: EMPLOYMENT *(Continued)*

As at 31 December 2023, the Group employed a total of 115 employees in the PRC and Hong Kong. Please see below for the detailed breakdown by employment type, gender, employment category, age group and geographical location:

	2023		2022	
	Number of staff	% of total	Number of staff	% of total
By Employment Type				
Full-time	115	100.00	159	100.00
Part-time	0	0	0	0
Total	115	100.00	159	100.00
By Gender				
Male	53	46.09	63	39.62
Female	62	53.91	96	60.38
Total	115	100.00	159	100.00
By Employee Category				
Senior Management	12	10.43	12	7.55
Middle Management	31	26.96	42	26.41
General	72	62.61	105	66.04
Total	115	100.00	159	100.00
By Age Group				
29 or below	27	23.48	43	27.04
30 to 50	74	64.35	98	61.64
51 or above	14	12.17	18	11.32
Total	115	100.00	159	100.00
By Geographical Location				
PRC	112	97.39	156	98.11
Hong Kong	3	2.61	3	1.89
Total	115	100.00	159	100.00

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B: SOCIAL ASPECTS *(Continued)* EMPLOYMENT AND LABOUR PRACTICES *(Continued)*

B1: EMPLOYMENT *(Continued)*

Below is a detailed breakdown of turnover rate of employees employed by the Group by employment type, gender, employee category, age group and geographical location as at 31 December 2023 and 2022. They are calculated by the categories of employees leaving the employment divided by the average number of employees in those specified categories.

	2023		2022	
	Number of staff	% of total	Number of staff	% of total
By Employment Type				
Full-time	49	35.77	50	30.30
Part-time	0	0	0	0
Total	49	35.77	50	30.30
By Gender				
Male	13	22.41	19	29.23
Female	36	45.57	31	30.69
Total	49	35.77	50	30.30
By Employee Category				
Senior Management	0	0	11	68.75
Middle Management	13	35.14	30	66.67
General	36	40.45	9	8.65
Total	49	35.77	50	30.30
By Age Group				
29 or below	17	48.57	11	28.95
30 to 50	28	32.56	30	28.04
51 or above	4	25.00	9	45.00
Total	49	35.77	50	30.30
By Geographical Location				
PRC	49	35.77	50	30.30
Hong Kong	0	0	0	0
Total	49	35.77	50	30.30

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B: SOCIAL ASPECTS *(Continued)*

EMPLOYMENT AND LABOUR PRACTICES *(Continued)*

B2: HEALTH AND SAFETY

The Group has complied with relevant occupational health related laws and regulations. These include, but not limited to:

- Labour Law of the PRC 《中華人民共和國勞動法》;
- Labour Contract Law of the PRC 《中華人民共和國勞動合同法》;
- PRC Law on The Prevention and Control of Occupational Diseases 《中華人民共和國職業病防治法》;
- Fire Prevention Law of PRC 《中華人民共和國消防法》; and
- Occupational Safety and Health Ordinance (Chapter 509)

There are no operation at the Head Office of the Group which may expose our staff to high risks of occupational hazards. Nevertheless, the Group has formulated rules on occupational safety in the “Employee Manual”, aiming at creating a safe and comfortable work environment for our employees. For example, fire extinguishers are placed in the office, which are checked regularly on a monthly basis. Employees are provided with proper trainings on how to use fire extinguishers so as to raise their safety awareness and their capabilities to handle emergency. The Group also implemented measures to prevent occupational hazards in office operations including placing warning signs at those facilities and machines that may cause potential dangers or cause accidents to staffs. The Group inspected the workplace regularly to ensure that safe working environment is provided to the employees. The Group did not receive any complaints regarding violations of health and safety related laws, and did not have any non-compliance with the relevant laws and regulations relating to provision of a safe working environment and protection of employees from occupational hazards during the Reporting Period.

The Group put the safety and health of employees as the first priority. With the experience of COVID-19 pandemic, the Group always pay attention to any highly infectious disease. In case of any outbreak, the Group will set up response team immediately to take the lead in executing prevention measures to protect the employees, including but not limited to complying with the government guidelines, adopting work rotation and home office arrangements, carrying out health surveillance measures.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B: SOCIAL ASPECTS *(Continued)* EMPLOYMENT AND LABOUR PRACTICES *(Continued)*

B2: HEALTH AND SAFETY *(Continued)*

During the year ended 31 December 2023, the data of the Group's work-related fatalities and injuries of the past three reporting years (including the Reporting Period) are set out as below:

	2023	2022	2021
Work-related Fatality:			
— Number of work-related fatality	0	0	0
— Fatality Rate	0.00%	0.00%	0.00%
Work-related Injury:			
— Number of work injuries	0	0	0
— Rate of work injuries (per thousand employees)	0.00%	0.00%	0.00%
— Lost days due to work injuries	0	0	0

B3: DEVELOPMENT AND TRAINING

Outstanding and competent employees are the most valuable key to our success. The Group considers them as the most important assets. It is the Group's belief that the cultivation and retention of outstanding and competent employees is the key to ensure our long-term development and our competitiveness. The Group considers the staff as its strategic partners, and provides staff training and development plans in a comprehensive and systematic way. Each of our employees caters for the actual needs of different departments and roles and enable them to be capable of working in all aspects. The Group also provides training programmes for new recruits in various areas, including induction training, corporate culture, system learning, introduction to product knowledge and purposes of all product lines, anti-corruption and anti-bribery management, office management and safety, so as to enable employees to keep improving in all aspects, including job skills and professional capabilities.

Our Training Programmes During 2023

Training Programmes/Content	Trainees	Form of Training	Time
New employee training	New employees	Internal training	Whenever necessary
Introduction of staff handbook, attendance record and promotion mechanism	New employees	Internal training	March 2024
Introduction to administrative structure, management system and digital platform	New employees	Internal training	April 2024
Operation procedures and financial policies	All personnel	Internal training	May 2024
Use digital media to develop business	All personnel	Internal training	June 2024
Emergency plan for fire extinguishing	All personnel	Internal training	July 2024
Enterprise risk control management	All personnel	Internal training	September 2024
Basic knowledge of traffic safety	All personnel	Internal training	October 2024
Procurement management, anti-corruption and anti-money laundering	All personnel	Internal training	April 2024
Enterprise digital standardization training	All personnel	Internal training	August 2024
Hazardous chemicals enterprise safety training	Operation staffs	Internal training	July 2024
Occupational safety and health	All personnel	Internal training	November 2024

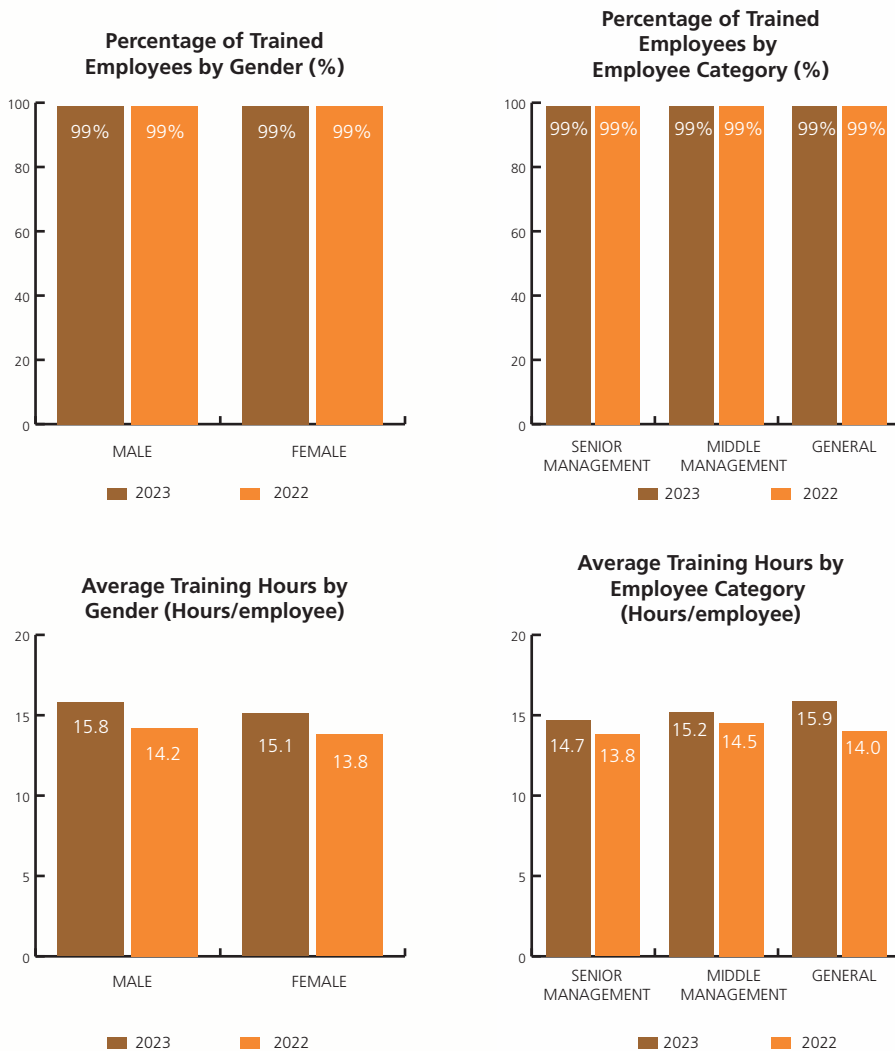
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B: SOCIAL ASPECTS *(Continued)*

EMPLOYMENT AND LABOUR PRACTICES *(Continued)*

B3: DEVELOPMENT AND TRAINING *(Continued)*

The percentage and average training hours per gender and employee category during the Reporting Period are as follows:



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B: SOCIAL ASPECTS *(Continued)*

EMPLOYMENT AND LABOUR PRACTICES *(Continued)*

B4: LABOUR STANDARDS

The Group recognizes that employment of child labour or forced labour constitute violations of basic human rights and international labour conventions, and poses threats to the sustainable development of the society and the economy. The Group strictly abides by the Labour Law of the PRC. Further, the Group will only enforce the requirements in a standard labour contracts instead of imposing unfair restrictions on the employment relations between any employee and the Company in any manner. The Group strictly prohibits the use of child labour and forced labour. Subject to the relevant laws and regulations, employees have the right to terminate their labour contracts at their own will.

During the Reporting Period, the Group was not aware of any material non-compliance with any laws and regulations related to child or forced labour that would have a significant impact to the Group, including but not limited to the Law of the PRC on the Protection of Minors, the Labour Law of the PRC, the Labour Contract Law of the PRC, the Employment Ordinance.

OPERATING PRACTICES

B5: SUPPLY CHAIN MANAGEMENT

In a globalized economy, outsourcing is a common business practice for companies. However, outsourcing does not mean that a company can totally avoid its responsibilities or risks arising from poor ESG performance of the third party suppliers or service providers. The Group recognizes that the Group should play a constructive role in every stage of the entire cycle of its products and services, and that proper management of the supply chain is critical for the Group to maintain its reputation, ensure business sustainability, and manage operating costs.

The Group has established a supply chain management mechanism, which takes quality, capability, service, environmental protection and work safety as prerequisites for the selection of suppliers. Before engaging new suppliers, the Group will examine their qualifications and complete a "Supplier Examination Form". The Group will take into account various factors such as whether the supplier is subject to any controversial practice, complaint, regulatory sanction, legal dispute, industry qualification, certification, safety management, environmental protection, employee health and social responsibility. Only those entities that meet all our requirements will be selected by the Group as its qualified service providers.

The Group maintains long-term cooperative relationship with key suppliers at strategic level, establishes supplier profiles and assesses the performance of each supplier. In its day-to-day operations, the Group meets the suppliers on a regular basis to gain a better understanding on their operations and share industry updates and market information, in order to ensure a smooth exchange of information for timely management. In the future, the Group will place more emphasis on ESG performance of its business partners by taking environmental and social factors into consideration for its supply chain management and require our business partners to pay attention to their performance in sustainable development.

Amid intense competition in the current market environment, our customers have become increasingly demanding on the quality of products and services. Moreover, the Group realizes that our customers are very concerned about the quality of energy products provided by the Group. As an energy trader, the Group ensures that the quality of all products materials it purchases and sells comply with all applicable international standards and PRC laws and regulations, and enables the Group and its customers to achieve a win-win situation.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B: SOCIAL ASPECTS *(Continued)* OPERATING PRACTICES *(Continued)*

B5: SUPPLY CHAIN MANAGEMENT *(Continued)*

Summary of Supply Chain Management Performance Indicators

Geographical Region	Number of suppliers	
	2023	2022
PRC	64	66

B6: PRODUCT RESPONSIBILITY

The Group strictly complies with all applicable international and domestic laws and regulations on the quality and transportation of all energy-related products purchased and sold by the Group, including those related to environmental protection. The Group provides a commodity inspection report issued by SGS, an independent global leading inspection, verification, testing and certification company, to ensure the quality of the energy-related products. As energy-related products are dangerous goods under the laws and regulations, the Group is highly concerned about safe operations in those processes as such loading, transporting and warehousing during trading. Pursuant to the “Regulations on the Safe Management of Hazardous Chemicals”, energy-related products shall be properly stored in dedicated warehouses, premises or storage rooms equipped with fire-extinguishing facilities as well as communication and alarm devices in accordance with the applicable fire control regulations to prevent accidents. Furthermore, our “Training for Personnel-in-charge and Safety Managers on Hazardous Chemicals” are organized annually, and examinations and tests are conducted after these training programmes to ensure that employees have a good knowledge of the procedures and practices for handling dangerous goods, so that they can react instantly in case of an accident or emergency. The Group did not have any non-compliance with the relevant laws and regulations involving product liability during the Reporting Period.

Quality Control Management

The Group strives to provide the products or services of the Group to our customers with high standards and quality. The Group implemented “Product Quality Assurance Procedure” to ensure the quality and safety of our products. The Group monitored carefully in order to ensure that the quality of products or services meets our customers, requirements. The Group also reviewed and monitored the quality management system from time to time and implemented measures to improve the system so that products and services of high quality can be provided to our customers.

Product Recall Management

The Group implemented “Product Recall Procedure” to ensure that the recalled products are handled by the relevant departments and employees in a timely manner and the appropriate procedures are followed. During the Reporting Period, the percentage of total products sold or delivered subject to recalls for safety and health reasons was nil.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B: SOCIAL ASPECTS *(Continued)* OPERATING PRACTICES *(Continued)*

B6: PRODUCT RESPONSIBILITY *(Continued)*

Complaints Handling

Customers' feedback is valuable to the Group to improve its performance. The Group has implemented "Customers Complaint and Services Management Procedures" which sets out the system to handle the complaints from customers and to ensure the complaints are handled promptly and effectively. During the Reporting Period, the Group did not receive any material complaint. The Group has also designated specific staff to handle all complaints received promptly and review the procedures regularly for any improvement to prevent any recurring complaints.

Customer Data Protection and Privacy

The Group believed that information security and privacy is the key element to success of the business. All personal data collected from customers and suppliers are kept strictly confidential. Further, computers and servers are protected by access passwords. According to the staff handbook of the Group and the employment contract, employees are required to protect the privacy of customers and any other sensitive information. Legal action will be taken against those employees who are in breach of the requirements. The Group will check regularly to ensure the compliance with the Policy. During the Reporting Period, the Group is not aware of any non-compliance with the relevant laws and regulations in the PRC and Hong Kong, and is not aware of any material violation of the Policy of the Group.

B7: ANTI-CORRUPTION

The Group is committed to upholding high standards of business ethics and integrity. The Group believes that operation with integrity is not only a foundation for corporate social responsibility, but also a cornerstone of corporate competitive advantage and on-going operations. In addition to the compliance with the Company Law of the PRC, the Criminal Law of the PRC《中華人民共和國刑法》, Prevention of Bribery Ordinance, Independent Commission Against Corruption Ordinance, Anti-Unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》), the Anti-money Laundering Law of the PRC (《中華人民共和國反洗錢法》) and other relevant laws and regulations in the PRC and Hong Kong, the Group has also developed the "Anti-Corruption and Anti-commercial Bribery Management System of Jintai Energy" which sets out clearly defined duties and code of conduct for the management, procurement personnel, sales personnel, accountants and cashiers respectively. The Group conveys its firm stance against corruption and fraud to its employees. The Group has a whistle-blowing mechanism in place to ensure that reported cases are submitted to the head of responsible departments, who shall keep the information confidential and properly handle any alleged cases. The Group will investigate and handle the case once internal corruption related information is received. There were no cases of non-compliance with the abovementioned legislations involving the Group and our employees during the Reporting Period.

In order to strengthen the self-discipline awareness of directors and employees of the Group and emphasize the importance of integrity and ethics, the Group also arranged internal trainings to directors and employees as well as provided articles and leaflets regarding anti-corruption and anti-money laundering. During the Reporting Period, the Group conducted anti-corruption training to 110 employees, or 96% of all employees in the form of a 1-hour training session.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B: SOCIAL ASPECTS *(Continued)* COMMUNITY

B8: COMMUNITY INVESTMENT

The Group has in place a Corporate Social Responsibility Policy which is regarded as an important part of the enterprise management strategy. It incorporates the value into the culture of the enterprise, where the Group actively plays the role as a corporate citizen, strictly enforces corporate governance, implements employee care, practises environmental protection and social welfare, maintains a sound corporate physique, promotes brand value and sustains the development of the enterprise.

Along with rising concerns about corporate behavior, social responsibility and the “Social License to Operate”, the pursuit of short-term and maximum financial performance to reward shareholders is no longer the only goal of business management. The Group cherishes its harmonious and inclusive relationship with the communities where it has a presence. It offers support to a variety of programs in the communities, including academic researches and education, community environmental protection and construction as well as cultural exchange. It also encourages its employees to participate in volunteer services to show their care for the society through actions.

As a proactive corporation, the Group has a profound understanding on the importance of meeting different stakeholders’ expectations as well as the expectations of the communities where the Group operates. In terms of the long-term development, the Group places emphasis on striking a balance between the interests of shareholders, all other stakeholders and the society as a whole, and tries to identify what the communities need so as to contribute to the sustainable development of the communities.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING INDEX

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)

		Sections	Pages
A. Environmental			
A1: Emissions			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	"Emissions"	7
KPI A1.1	The types of emissions and respective emissions data	"Emissions"	7
KPI 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)	"Emissions"	7
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	"Emissions"	8
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	"Emissions"	8
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them	"Emissions"	8
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled and a description of reduction target(s) set and steps taken to achieve them	"Emissions"	8

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING INDEX *(Continued)*

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)		Sections	Pages
A2: Use of Resources			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in building, electronic equipment, etc.	"Use of Resources"	8
KPI 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)	"Use of Resources"	9
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	"Use of Resources"	9
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	"Use of Resources"	8
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	"Use of Resources"	9
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	"Use of Resources"	–
A3: The Environment and Natural Resources			
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources	"The Environment and Natural Resources"	9
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	"The Environment and Natural Resources"	9

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING INDEX *(Continued)*

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)		Sections	Pages
A4: Climate Change			
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer	"Climate Change"	10
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	"Climate Change"	10
B. Social			
Employment and Labour Practices			
B1: Employment			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	"Employment"	11
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region	"Employment"	12
KPI B1.2	Employee turnover rate by gender, age group and geographical region	"Employment"	13

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING INDEX *(Continued)*

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)		Sections	Pages
B2: Health and safety			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	“Health and Safety”	14
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	“Health and Safety”	15
KPI B2.2	Lost days due to work injury	“Health and Safety”	15
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	“Health and Safety”	14
B3: Development and Training			
General Disclosure	Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities	“Development and Training”	15
KPI B3.1	The percentage of employee trained by gender and employee category (e.g. senior management, middle management)	“Development and Training”	16
KPI B3.2	The average training hours completed per employee by gender and employee category	“Development and Training”	16

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING INDEX *(Continued)*

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)		Sections	Pages
B4: Labour Standards			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	"Labour Standards"	17
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	"Labour Standards"	17
KPI B4.2	Description of steps taken to eliminate such practices when discovered	"Labour Standards"	17
Operating Practices			
B5: Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain	"Supply Chain Management"	17
KPI B5.1	Number of suppliers by geographical region	"Supply Chain Management"	18
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	"Supply Chain Management"	17
KPI B5.3	Description of practices used to identify environmental and social risk along the supply chain, and how they are implemented and monitored	"Supply Chain Management"	17
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	"Supply Chain Management"	17

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING INDEX *(Continued)*

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)		Sections	Pages
B6: Product Responsibility			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact of the issuer relating to health and safety, advertising, labelling and privacy matters, relating to products and services provided and methods of redress	“Product Responsibility”	18
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	“Product Responsibility”	18
KPI B6.2	Number of products and service related complaints received and how they are dealt with	“Product Responsibility”	19
KPI B6.3	Description and practices relating to observing and protecting intellectual property rights	“Product Responsibility”	–
KPI B6.4	Description of quality assurance process and recall procedures	“Product Responsibility — Quality Control Management”	18
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	“Product Responsibility — Customer Data Protection and Privacy”	19

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING INDEX *(Continued)*

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)		Sections	Pages
B7: Anti-corruption			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	"Anti-corruption"	19
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the case	"Anti-corruption"	19
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	"Anti-corruption"	19
KPI B7.3	Description of anti-corruption training provided to directors and staff	"Anti-corruption"	19
Community			
B8: Community Investment			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities taken into consideration the communities' interests	"Community Investment"	20
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	"Community Investment"	20
KPI B8.2	Resources contributed (e.g. money or time) to the focus area	"Community Investment"	20