



大唐環境產業集團股份有限公司

Datang Environment Industry Group Co., Ltd.*

(A joint stock company incorporated in the People's Republic of China with limited liability)
(在中華人民共和國註冊成立的股份有限公司)

Stock Code 股份代號: 1272



2023

Environmental, Social and Governance Report

* For identification purpose only 僅供識別

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ABOUT THIS REPORT

This report is the eighth Environmental, Social and Governance (“ESG”) Report (the “Report”) published by Datang Environment Industry Group Co., Ltd. (the “Company”) and its primary subsidiaries (collectively referred to as the “Group”, “Datang Environment” or “we”). The purpose of the Report is to disclose the sustainable development achievements of Datang Environment in 2023, responding the concerns and expectations of various stakeholders of the Group.

Reporting Scope and Boundary

Time scope: This Report covers the period from 1 January, 2023 to 31 December, 2023 (the “Reporting Period” or the “year”), which is consistent with the 2023 Annual Report of the Company.

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

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

Reporting Standards

This Report is prepared in accordance with the *Environmental, Social and Governance Reporting Guide* (the “ESG Reporting Guide”) as Appendix C2 of the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (the “Listing Rules”) issued by The Stock Exchange of Hong Kong (the “Stock Exchange of Hong Kong”) and strictly complies with the disclosure obligations of mandatory disclosure requirements and “comply or explain” provisions. At the same time, we have actively made reference to and responded to the *Reference Indicator System for ESG Special Reports of Central Enterprises Holding Listed Companies* and the *Reference Template for ESG Special Reports of Central Enterprises Holding Listed Companies* issued by the State-owned Assets Supervision and Administration Commission of the State Council. The Report adheres to the following reporting principles:



- ◉ **Materiality:** The Report, based on the results of the assessment of materiality issues and taking into account the contents of the Company's ESG focus for the year and changes in internal and external trends, emphasizes ESG materiality issues which are of high concern to both internal and external stakeholders as the content of disclosure and response in the Report.
- ◉ **Quantitative:** While continuing the practice of quantitative indicators disclosure in previous years, this Report also covers specific quantitative targets to reduce negative environmental and social impacts, demonstrating our confidence and determination to improve sustainable development. Information is supplemented with quantitative measures, including details on the standards, calculation methodologies, reference used to calculate the key performance indicators as well as the conversion factors used in these key performance indicators, to facilitate stakeholders' understanding of the Group's ESG performance.
- ◉ **Balance:** The Report reflects objective facts and discloses both positive and negative indicators. The Report has been reviewed by the board of directors of the Group (the "Board of Directors" or "the Board"), ensuring there are no material omissions or selective descriptions.
- ◉ **Consistency:** This Report adopts the disclosing and data statistical methods consistent with the previous ESG reports, and provides historical data to allow for meaningful comparison for readers.

• Information Explanation

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

• Feedback and Contacts

This Report is available in both Traditional Chinese and English on the official website of the Company (www.dteg.com.cn) and the HKEX News website of the Stock Exchange of Hong Kong (www.hkexnews.hk). In case of any discrepancy between the information provided in the different language versions, the Traditional Chinese version shall prevail.

The Company sincerely looks forward to your valuable opinions and suggestions to continuously improve our ESG capabilities. Welcome to contact us through the following channel!

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



Chairman's Statement

In retrospect of the past year of 2023, Datang Environment fully implemented the spirit of the 19th National Congress of the Communist Party of China, guided by serving the national "dual carbon" goals and seizing the opportunity of building a beautiful China, implementing the "1461" development strategy, and steadfastly pursuing reform, innovation, and development. It exceeded all annual targets and tasks, delivering outstanding achievements.

Datang Environment values high-quality sustainable development, with governance as the cornerstone. It established a three-level ESG governance structure with the board of directors as the highest decision-making body, enhancing its control and response capabilities to various risks, including ESG risks, to ensure the stable business operation. The Group adheres to compliant and honest operation, builds responsible supply chains, and continues to actively communicate and collaborate with stakeholders for mutual success. Guided by an effective ESG governance system, Datang Environment was honored with the 2023 "ESG Pioneer Award" and was selected as one of the "Top 50 Environmental Enterprises in China 2023".

Datang Environment adheres to the value concept of customer orientation, ensuring product quality and service while continuously strengthening technological research and development to solidify the foundation for high-quality sustainable development. In 2023, the Group obtained a total of 50 patent authorizations, including 33 invention patents. By the end of 2023, the Group had edited one international standard, edited two domestic standards, and completed the drafting and publication of five international standards. While encouraging technological innovation, we strengthen intellectual property protection to safeguard high-quality sustainable development.

Guided by a green and low-carbon approach, Datang Environment accelerates the transformation towards green enterprise. We actively promote comprehensive environmental management, reference the Task Force on Climate-related Financial Disclosures (TCFD) framework, and formulate and implement effective climate change response measures. In 2023, the Group operated a total of 12 rooftop photovoltaic projects with a total capacity of 14.94 megawatts peak (MWp), contributing to the promotion and application of new energy. In the production and operation process, we use technological innovation as the engine to formulate emission management measures, promoting efficient resource utilization.

Datang Environment continues to contribute to the development of individuals and society. We focus on the growth and well-being of employees by providing diverse training and welfare benefits to help them achieve self-realization and satisfaction at work. We establish a comprehensive safety production responsibility system, strengthen safety inspections, provide comprehensive occupational disease health examinations for employees, and ensure production and employee safety. At the level of social contribution, we carry out a series of brand volunteer service activities such as "Three-Color Flower" and "Learning from Lei Feng", empowering rural revitalization in the new era through distinctive assistance systems, demonstrating the responsibilities of central enterprises, actively giving back to the community, and creating a beautiful society together.

Looking ahead, 2024 is a critical year for realizing the "14th Five-Year Plan". We will maintain the courage to innovate boldly, the spirit of daring to be pioneers, and the vigorous energy to forge ahead. We will adhere to the overall goal of high-quality development, effectively leverage the "three functions" of technological innovation, industrial control, and safety support, promote an outstanding culture, and take practical actions to fulfill the new mission of serving the national strategic agenda. We will strive to achieve new accomplishments in strengthening, optimizing, and expanding our performance, making fresh contributions to green development and the harmonious coexistence of humanity and nature in modernization.

Chairman of the Board

Zhu Liming



WALKING INTO DATANG ENVIRONMENT

• Company Profile

As a socially responsible enterprise focused on energy conservation and environmental protection, the Group is the sole business platform under China Datang Corporation that is dedicated to creating environmental protection and energy-saving solutions. We are a comprehensive provider of environmental management services that combines operations, technical research and development, product manufacturing, engineering construction, and project investment.

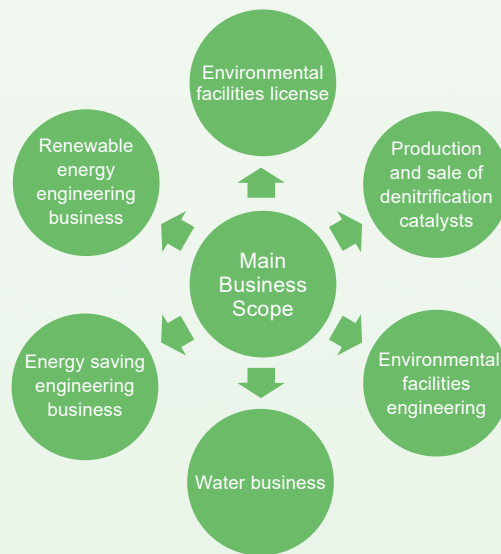
• Development Objectives and Planning

Long-Range Planning Through the Year 2035	To become a leading enterprise in providing systematic solutions to environmental problems and integrated energy solutions, and to build a first-class integrated energy and environmental management service provider with “technological leadership, product excellence, industry synergy, wisdom and efficiency”.
Development Strategy	<p>The “1461” development strategy, i.e. a development vision, building “four excellent enterprises”, enhancing “six capabilities” and accomplishing “a transformation” is abbreviated as the “1461” development strategy of the Company.</p> <ul style="list-style-type: none"> • One Vision: To build a first-class integrated energy and environmental management service provider with “technology leadership, product excellence, industry synergy, and wisdom and efficiency”. • Four Excellence Enterprises: Excellent core technology, excellent talent team, excellent industrial layout, and excellent profit-generating ability. • Six Capabilities: technological innovation, market development, value creation, capital operation, compliance, and modern governance. • One Transformation: from a traditional environmental engineering enterprise to a first-class integrated energy and environmental management service provider.
“14th Five-Year Plan” Development Objectives	By 2025, significant progress will be made in building a first-class integrated energy and environmental management service provider with “technological leadership, product excellence, industry synergy and wisdom and efficiency”, realizing “one transformation” and achieving “four excellences”.
Key Tasks	High-quality development, production and operation, deepening reform, scientific and technological innovation, energy saving and carbon reduction, and digital transformation.
Safeguards	Party Building, Capital Support, Talent Support, Brand Support.

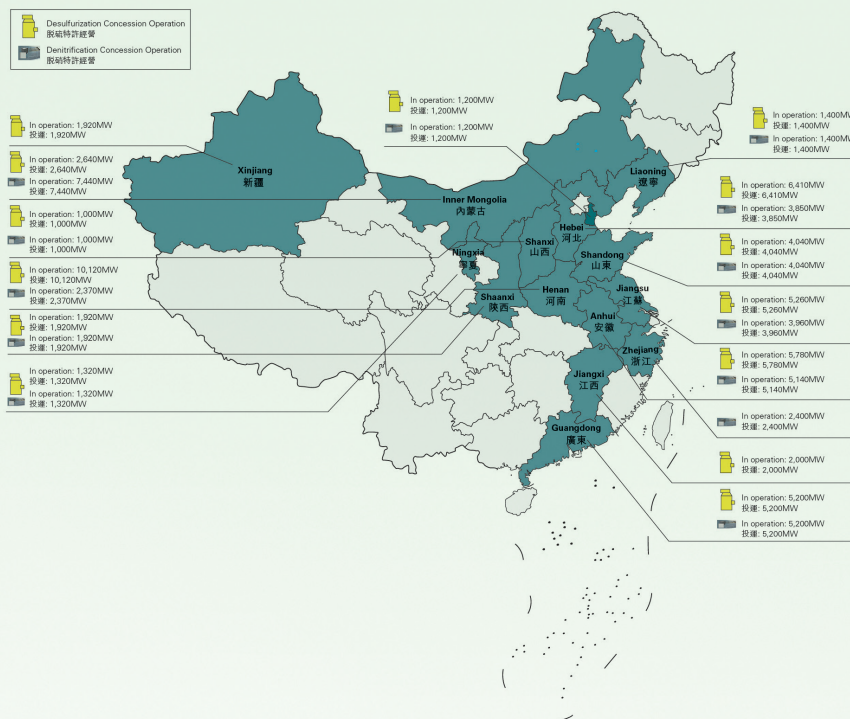
• Business Scope

As a leading supplier of environmentally-friendly and energy-efficient solutions to coal-fired power companies, the Group serves customers across more than 30 provinces, autonomous regions, and municipalities throughout China, as well as in 8 other countries. Our main business includes franchised operation of environmental facilities, production and sales of denitrification catalysts, environmental facility engineering, water utility business, energy-saving business, and renewable energy engineering, among others. We have multiple patented technologies and independent intellectual property rights, and our franchised operation scale of desulfurization and denitrification ranks among the industry's leading levels. We will continue to promote new technologies to improve global environmental governance efficiency.

■ Main Business Scope:



During the Reporting Period, all business segments of the Group were operated steadily, and the installed capacity of desulfurization and denitrification concession operation of the Company maintained its leading position in the industry. We fully leverage our advantages in technology and qualification to explore new business markets, and further improve the professional management level and sustainable development capability of our concession operation business. As at the end of the Reporting Period, the cumulative installed capacity in operation of desulfurization concession operations of the Group was 50,210 MW, the cumulative installed capacity in operation of denitrification concession operations was 41,240 MW, and the installed capacity of desulfurization entrusted operation projects was 1,960 MW. The geographic distribution and cumulative capacity of our concession operations are illustrated in the diagram below.



2023 ESG Key Performance at a Glance

ENVIRONMENTAL

1,756,500 tons

of sulfur dioxide emissions reduced by the concession operation business

217,000 tons

of nitrogen oxides emissions reduced by the concession operation business

25,381.79 m³

cumulative production of denitrification catalysts

Total capacity 14.94 MWp

A total of 12 rooftop photovoltaic projects in operation

Total electricity generation 6.9265 million kWh

SOCIAL

RMB183.18 million

invested in technological, research and development

4

technological achievements reached internationally leading or advanced levels

50

Patents obtained

105,075 hours

of total employee training hours

0

Work-related injury

95% (Engineering Business)

97% (Concession Operation Business)

of customer satisfaction

1. GOVERNANCE AS THE FOUNDATION FOR A WIN-WIN SITUATION FOR ALL PARTIES

With the goal of improving the core competitiveness of environmental protection industry and striving to be the leader in environmental protection industry and emerging power industry, Datang Environment has deeply integrated ESG concepts into the Group's business operations. In order to facilitate the high-quality and sustainable development of the enterprise, Datang Environment has strengthened the foundation of ESG governance, enhanced its ability to control and cope with risks, proactively communicated and exchanged information with stakeholders, firmly adhered to clean and compliant operations, and established a responsible supply chain to work together to achieve win-win development and create value for all parties. We will also establish a responsible supply chain and work together with all parties to achieve win-win development and create value.

▶ 1.1 ESG Governance and Statement of the Board

The Board of Datang Environment assumes full responsibility for the development of ESG strategies and information disclosure of the Company. The Board implements ESG regulatory responsibilities through regular review of ESG management policies and strategies, ESG progress reports. The Board also takes responsibility in evaluating, prioritizing, and managing substantive ESG issues, and conducting normalized supervision and management of key ESG performance targets and their achievements. Please refer to the respective sections below for a discussion on the actual performance of the ESG-related goals and targets for the relevant aspects of ESG during the Reporting Period.

The Board approved this Report on April 2024, confirming that the Report fully disclosed the key progress and achievements of ESG work during the Reporting Period of the Company, and confirmed that there was no false record, misleading statement or significant omission in the Report.

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





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

Board

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

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

The ESG Work Leading Taskforce

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

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

The ESG Office

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

At the same time, the Group has integrated party leadership into corporate governance, carried out solid thematic education, strengthened the construction of grassroots party organizations, and created a comprehensive party building system called “Five Degrees of Party Building”, in order to promote the Company's high-quality development through solid party building work. Our “Three-Color Flower” cultural achievement was awarded the First Prize for Outstanding Achievements in National Corporate Culture by the China Enterprise Confederation; the “Yan Huanhuan News Planning for the 20th Party Congress” was awarded the Top 10 Publicity and Planning Cases of China's Energy Media by the China Electricity Confederation; and we were awarded the title of “Book-scented Enterprise” by the Beijing Municipal Party Committee's Propaganda Department. The experience in building a learning-oriented organization has been recognized by society, and the quality of our party building work has reached a new level.

► 1.2 ESG Risk Management

Datang Environment has formulated the *Measures for the Management of Reporting of Operational Risk Events*, which stipulates the circumstances under which operational risk events may occur, and requires that the grass-roots enterprises and the departments of the headquarters should give timely warning and report to the department in charge of risk when operational risk events are likely to occur. The department in charge of risk management incorporates operational risk events into the account management, and updates and supervises the resolution of operational risk events on a monthly basis.

The Group's risk classification framework includes five major categories of risks, namely strategic, financial, market, operational and legal risks, which include environmental, social, corporate governance and other risk assessment elements. In 2023, the Group organized and launched an annual comprehensive risk assessment, issued an annual risk management report based on assessed significant risks, and organized a quarterly summary of the effectiveness of the management of significant risks and implementation of measures. the Group's risk assessment process includes the identification, analysis and evaluation of ESG risks. In the process of annual risk assessment, the Group identifies, analyzes and evaluates ESG risks, with specific processes as follows:

Megatrend Analysis

Based on the international ESG risk trend analysis report, thoroughly understand and examine the wide-ranging impact of emerging external environmental trends on businesses and industries. Conduct trend analysis on various relevant aspects, including environment, society, economy, politics, and technology, in a sequential manner.

Develop and Distribute Risk Assessment Questionnaires

Develop and distribute risk assessment questionnaires, and consider the actual operating conditions of the Company to identify significant risks from multiple dimensions such as the probability of ESG risk occurrence, the degree of impact, and the Company's ability to respond.

Prioritize ESG Risks

Conduct statistical analysis of the questionnaire results and rank ESG risks according to their severity, from highest to lowest.

After analyzing and summarizing the five major trends in the environmental, social, economic, political and technological dimensions, we have identified a list of highly important risks, consistent with previous analyses in 2022, including environmental compliance risks and climate change and extreme weather. With respect to the identified ESG risks, the Company will formulate countermeasures to effectively prevent risks and reduce the impact of potential risks on the business.

With respect to internal audit, the Company has established a sound internal audit leadership system under the leadership of the Party Committee and the Board of Directors. The audit department of each enterprise is responsible to the Party Committee and the Board of Directors of the enterprise and reports on its work; the Board of Directors is responsible for reviewing important matters relating to the construction of the Company's audit management system and deciding on the establishment of the internal audit organization and the person-in-charge of the organization; and the Party Committee is responsible for reviewing important audit-related matters such as the internal audit plan, audit report, rectification report, and project work plan, etc. In 2023, the Company efficiently carried out its audit work based on the positioning of economic supervision and focused on the implementation of major initiatives to build the "Four Excellent Enterprises" and enhance the "Six Capabilities" of the Company, promoting the change of audit duties towards regulating the operation of powers and promoting the commitment of officers, and extending the scope of audits from leadership to key positions; focusing on the comprehensive deepening of quality enhancement and efficiency improvement, and on the important issues that have always been the concern of the Party Committee and the Board of Directors, which are repeatedly emphasized by the Party Committee and the Board of Directors. We will focus on improving the more mature and fixed audit supervision system, enhancing the quality of regularized "economic physical examination" and deepening the audit innovation in the field of investment management; focusing on the internal control construction and implementation in key areas through audit inspections, assisting in the establishment of a coordinated and interconnected supervisory framework. We establish a "dual inspection" linkage mechanism, strengthen the synergy between audit work, financial supervision, cadre supervision, internal control construction, and disciplinary supervision, promoting various types of supervision to deepen the utilization of audit results, moving in the same direction and exerting concerted efforts. We fully leverage the warning and deterrent effects of audit supervision.

In addition, we continue to establish a sound internal control structure, including the control environment, accounting system and control programs. The Party Committee studies and discusses the internal control evaluation report, major internal control deficiencies and their rectification measures beforehand, and the Board of Directors makes decisions. The Group regularly revises its internal control manual annually in accordance with the adjustments to its organization and changes in its business processes, organizes annual internal control self-evaluation and supervisory evaluation of its subsidiaries, and organizes the rectification of internal control deficiencies to promote the healthy and stable development of the enterprise.

► 1.3 Stakeholder Engagement

Datang Environment regards stakeholder communication as a powerful tool to promote sustainable development, actively listens to the concerns of stakeholders, accurately obtains their expectations, responds to them in a timely manner, handles them appropriately, and promotes a win-win situation to the mutual benefit of all parties.

Our key stakeholders include shareholders and investors, government and regulatory authorities, employees, customers, suppliers, business partners and the public. During the year, we actively and continuously communicated with our stakeholders and conducted online questionnaire surveys to understand their evaluations of our past sustainability performance and expectations for our future work, with a view to adjusting the Group's sustainability strategies and objectives. Meanwhile, we regularly carry out voluntary services in local communities to listen to the voices of local residents, and maintain close contact with industry associations and other related enterprises to jointly promote the sustainable and healthy development of the industry.

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

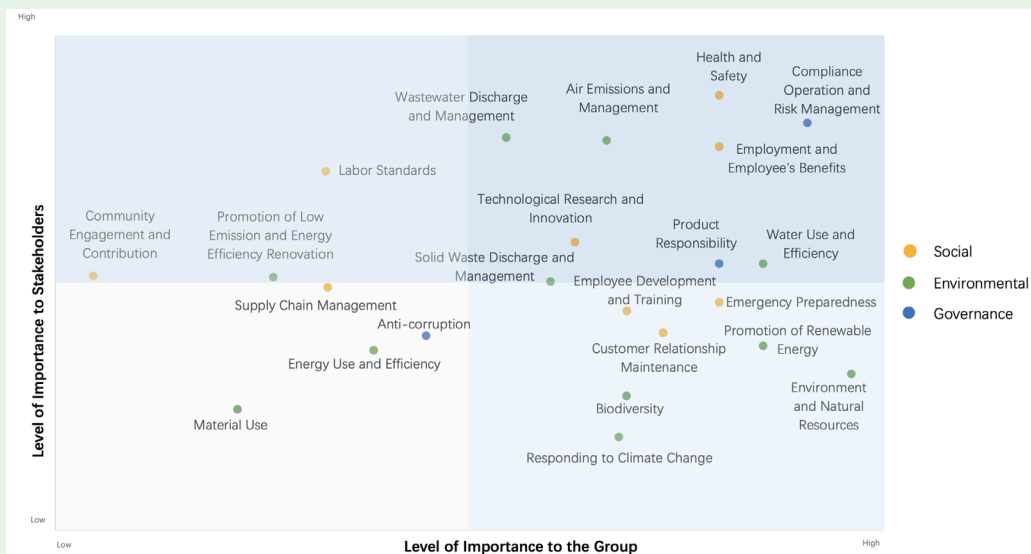
The Group has formulated a comprehensive non-financial information disclosure process, clarified the scope and channels for public disclosure of information, safeguarded the quality of information disclosure, and made annual disclosure of non-financial information in response to the aspirations of various stakeholders.



<<< Non-financial disclosure process >>>

▶ 1.4 Assessment of Materiality Issues

In 2023, Datang Environment followed the materiality reporting principles in the *Environmental, Social and Governance Reporting Guidelines* of the Hong Kong Stock Exchange, and based on the results of the 2022 stakeholder questionnaire survey, combined with Datang Environment's development strategy and business layout, and with reference to the *Reference Indicator System for ESG Special Reports of Central Enterprises Holding Listed Companies* and the excellent practices of its peers, the updated materiality assessment for the current year was recognized by the Board of Directors. The materiality assessment results have been endorsed and confirmed by the Board of Directors. The results of the materiality assessment are shown in the following materiality matrix:



<<< Materiality Matrix of Datang Environment >>>



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

Aspects	Issues of High Materiality	Corresponding Chapters
 ENVIRONMENTAL	Air Emissions and Management	GREEN AS THE FOUNDATION, PROTECTING THE ENVIRONMENT AND ECOLOGY
	Wastewater Discharge and Management	GREEN AS THE FOUNDATION, PROTECTING THE ENVIRONMENT AND ECOLOGY
	Water Use and Efficiency	GREEN AS THE FOUNDATION, PROTECTING THE ENVIRONMENT AND ECOLOGY
	Solid Waste Discharge and Management	GREEN AS THE FOUNDATION, PROTECTING THE ENVIRONMENT AND ECOLOGY
 SOCIAL	Health and Safety	CREATING A PEOPLE-CENTERED SOCIETY FOR THE COMMON GOOD
	Employment and Employee's Benefits	CREATING A PEOPLE-CENTERED SOCIETY FOR THE COMMON GOOD
	Technological Research and Innovation	CUSTOMER FIRST, QUALITY SERVICE GUARANTEED
 GOVERNANCE	Compliance Operation and Risk Management	GOVERNANCE AS THE FOUNDATION FOR A WIN-WIN SITUATION FOR ALL PARTIES
	Product Responsibility	CUSTOMER FIRST, QUALITY SERVICE GUARANTEED

► 1.5 Compliance and Integrity

Datang Environment continues to promote the systematization, normalization and standardization of compliance system construction, and amends and publishes the *System Management Measures*, *Implementation Rules for Examination, Compensation and Punishment of Dispute Cases*, *Management Measures for Reporting of Operational Risk Events* and other systems, which provide a systematic basis for the Company's compliance management in accordance with the law, and realizes a 100% legal compliance examination of the rules and regulations. At the same time, we continue to strengthen the construction of the compliance system, constructing the "three lines of defense", setting up a chief compliance officer, establishing a compliance management committee, co-located with the rule of law construction leading group, responsible for the organization and leadership of the Company's compliance management and coordination, sorting out the compliance duties, and evaluating the effectiveness of the regular basis.



<<< The "Three Lines of Defense" Compliance System >>>

In terms of integrity building, the Group has formulated systems such as the *List of Two Responsibilities for the Implementation of Party Style and Integrity Building in the Company*, *List of Supervisory Responsibilities of the Discipline Committee of the Company for the Implementation of Comprehensive Strict Governance of the Party*, *List of the Main Responsibilities of the Party Committee of the Company for the Implementation of Comprehensive Strict Governance of the Party and Measures for the Handling of the Registration and Submission of Gifts and Premiums Received by the Employees in the Course of Business*, etc., so as to promote the culture of integrity, and to boost the stability of the enterprise to bring it to a far-reaching stage.

In regard to anti-corruption measures, Datang Environment strictly complies with laws and regulations such as *Criminal Law of the People's Republic of China*. At the awareness-raising level, we have launched integrity education as well as anti-corruption trainings and campaigns in various forms, actively carried out self-examinations and self-corrections, and implemented corrective actions. We have also required our party members and key position holders to sign a *Letter of Integrity Pledge* to promote the implementation of clean duties and prevent clean risks. We have adopted a zero-tolerance attitude towards any violation of party discipline and the state law. During the Reporting Period, the Group has not been involved in any cases relating to bribery, extortion, fraud and money laundering, and no corruption litigation cases have been filed against the Group or its employees. To effectively combat corruption, the Group also provides employees with dedicated channels, including email and telephone line to report instances of corruption.

In order to ensure integrity and fair competition, Datang Environment has formulated the *Administrative Measures of Datang Environment Industry Group for Keeping State Secrets* and the *Administrative Measures of China Datang Corporation for Maintaining Confidentiality* and other relevant systems in accordance with the relevant laws and regulations, so as to put an end to the infringement of business secrets and other improper competition behaviors.



► 1.6 Responsible Supply Chain

Datang Environment strictly follows the relevant laws and regulations on supply chain management, and has formulated relevant systems such as *China Datang Corporation's Supplier Management Measures*, *Datang Environment Industry Group's Purchasing Management Measures*, *Datang Environment Industry Group's Purchasing Supervision and Management Measures*, and *Datang Environment Industry Group's Measures on Purchasing Dissent and Complaints*. The Group has implemented a standardized set of procedures for selecting new suppliers or service providers, and has made detailed regulations on the preliminary stage of supply chain activities, procurement activities planning and landing. There are detailed provisions in the preliminary planning of supply chain activities, planning and landing of procurement activities to improve the efficiency and quality of procurement, reduce procurement costs and prevent procurement risks. The Group's procurement work is subject to centralized management and three-level audit. The "Centralized Management" means that the Group Company and the Group implement centralized management of the procurement work through unified plan, unified process, unified standard, unified platform and unified organization; the "Three-Level Audit" refers to the centralized formulation of the authorization catalogue for the audit of procurement results by the Group Company and the formulation of the audit catalogue for procurement results by the Group Company under the authorization of the Group Company, and the implementation of "centralized management, hierarchical audit, rolling adjustment and batch arrangement" in respect of the procurement plan.

The Group actively exchanges and cooperates with suppliers with the concept of green development and regards green procurement as an important consideration in establishing cooperative relationships. The Group requires suppliers to have certifications in environmental management and material supply systems, stipulates the emission standards of products and raw materials, production activities or services provided by suppliers and requires suppliers to sign green procurement agreements, such as the *Notification Letter for Parties Involved in Environmental Protection and Occupational Health and Safety Production* to promote the construction of a green supply chain in a comprehensive and systematic manner.

We attach great importance to environmental and social risks in the supply chain and conduct assessments of our existing suppliers from time to time, which cover various aspects such as whether they have been subjected to complaints on environmental protection issues, or whether they have been penalized for environmental pollution accidents or production safety accidents, etc. If the supplier still fails to comply with the standards after rectification or refuses to rectify the situation, we will take measures such as lowering the supplier's evaluation, withholding the award of contract, suspending the contract or replacing the supplier in order to exert influence and gradually replace the non-compliant supplier so as to strictly control the risks in the supply chain. In terms of supply chain safety assurance and contingency planning, we have set up an emergency procurement system to cope with unpredictable contingencies such as troubleshooting, accident repair and disaster relief, in order to minimize the impact of risks and enhance the resilience to withstand risks.



2. CUSTOMER FIRST, QUALITY SERVICE GUARANTEED

“Putting customers first” is the foundation of enterprise development. Datang Environment always takes customers' needs and interests as the starting point, and is committed to providing valuable services to customers. To this end, we fulfill our role as a central enterprise, strictly control the quality of our products, continuously strengthen our technological research and development, provide customers with high-quality, safe and responsible products and services, build the foundation of high-quality development of the enterprise, and strive to become a benchmark model in the industry.

▶ 2.1 Quality Management

In terms of quality management, Datang Environment is well aware that quality is the lifeline of the product, and always insists on continuously improving the quality management system, strictly abides by the *Product Quality Law of the People's Republic of China* and other laws and regulations, and has passed the ISO9001:2015 quality, environmental, occupational health and safety management three systems certification. We have established a scientific and all-round quality management closed-loop system and formulated a number of quality management documents, including *Quality Responsibility System*, *Management Procedures for Whole Process Quality Control*, *Quality Reward and Punishment System*, and *Project Quality Visit System*, etc., which effectively guarantee that the whole life cycle of our products meets the high standards.

We control the quality of our products at source by conducting full-process, traceable quality control inspections on raw materials, semi-finished products and finished products, and we adopt sampling and inspection methods to safeguard the quality of our products during the production process. After the products have been sold, we implement standard protocols for conducting recalls in accordance with the *Management of Unqualification and Non-Conformity Control* and other relevant management requirements; during the Reporting Period, the number of products that we had to withdraw and recall for health and safety reasons was zero.

To cope with negative incidents related to products or services, we have set up specific handling protocols and established guidance documents such as the *Emergency Response Plan for Environmental Pollution Incidents* and the *Emergency Response Plan for Unforeseen News Media Incidents*. During the Reporting Period, the number of negative incidents arising from our own products or services was zero.

▶ 2.2 Customer Service and Protection

Customer-oriented

Datang Environment strictly complies with the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, the *E-Commerce Law of the People's Republic of China*, the *Advertising Law of the People's Republic of China* and other relevant laws and regulations on advertising. The Group requires its employees to thoroughly review advertising materials to ensure accuracy and the absence of any misleading information in Group publications as well as product labels.

Customer Satisfaction

The Group has formulated and complied with the *Marketing Management Measures*, *Service Management Standards*, *Customer and Related Party Satisfaction Measurement Control Procedures* and *Engineering Quality Return Procedures*, and established a comprehensive after-sales service system for its products and services, which mainly covers technical team support, after-sales operation and maintenance, troubleshooting and repairing, and after-sales training and knowledge transfer, etc., to ensure that its customers are provided with quality support and service.

The Group has actively conducted customer satisfaction surveys covering the evaluation of the whole process of service during contract execution, timeliness of delivery and timeliness of resolution of after-sales service issues. In the Reporting Period, the customer satisfaction score for engineering business is 95%, for concession operation business is 97%, and reaches for denitrification catalyst and other services 100%. The Company will persevere and continue to innovate and excel in all aspects of its work to maintain good quality and ensure product stability in order to provide better services to its customers.

Customer Complaints and Handling

The Group manages customer complaints in accordance with systems such as the *Procurement Business Complaint Handling Rules*, *Corrective Measures Control Program* and *Preventive Measures Control Program*. The handling of customer complaints is coordinated by the relevant departments of the project after the owners have given feedback to the person in charge of the project. During the Reporting Period, there were no incidents of leakage of customer information and no losses caused by violation of relevant laws and regulations. During the Reporting Period, the number of complaints regarding products and services was zero.

Customer Information and Privacy Protection

We strictly comply with the *Network Security Law of the People's Republic of China* and other relevant laws and regulations on information security and privacy protection, and have formulated a strict data protection policy that specifies the collection, use, storage and handling of customer information, including requirements on the legality, confidentiality, integrity and reliability of the information. At the same time, we require our employees to sign the *Agreement on Competitive Prohibition and Preservation of Commercial Secrets*, stipulate the process and handling of private information in the Employee Handbook and the Confidentiality Ordinance, and proactively launch training on information security awareness. During the Reporting Period, there were no incidents of leakage of customer information and no losses caused by violation of relevant laws and regulations.

▶ 2.3 Technological Innovation and Intellectual Property Protection

R&D and Innovation Management System

The Group attaches great importance to research and development and innovation, and has formulated relevant institutional documents such as the *Measures for the Administration of Scientific and Technological Projects* and the *Measures for the Administration of Scientific Research Funding for National Key Research and Development Programs*, which cover a wide range of aspects such as the organization and responsibilities, project cultivation and application guidelines, etc. By means of the effective research and development and innovation management system, the Group has been able to better plan and execute its research and development projects to ensure the rational allocation and utilization of resources, accelerate the progress of product development and improve the success rate of its innovative products. The success rate of innovative products has increased. The subsidiaries actively set up R&D and innovation platforms to build up technological innovation teams, cultivate research talents, and promote technological innovation, methodological innovation, business innovation and management innovation.

R&D Investment and Innovation Results

In 2023, Datang Environment continued to invest in research and development, with a total amount of RMB183.18 million. In terms of patent authorization, the Company obtained a total of 33 invention patents authorized; in terms of standardization, the Company took the lead in the compilation and publication of *ISO 4789 Guidelines for wastewater treatment and reuse in thermal power plants*, which laid the foundation for the Company to gain the right to speak in international standards in the water treatment industry. Our research and development results were widely recognized by the outside world. The *Complete set of technology and equipment for harmless treatment and resource utilization of high-salt wastewater* won the First Prize of the Group Company's First Datang Cup Staff

Innovation and Efficiency Achievement Competition. The engineering demonstration of the ultrasonic measurement device for the fineness of desulfurization limestone slurry with independent intellectual property rights was successfully completed. It was appraised by the State Grid as reaching the international leading level, further showcasing our capabilities in technological innovation.

<<< Successfully published the international standard *Guidelines for wastewater treatment and reuse in thermal power plants* >>>

Case: Nanjing Environmental Protection Won First Prize for QC Achievement

In order to solve the problem of paste adhering to rollers in the denitrification catalyst coating process, the QC team of Nanjing Environmental Protection's scientific and technological research and development strictly followed the 5W1H quality control process, screened the causes of the whole process, accurately located the core problem, and combined with the concept of scientific and technological innovation to put forward an optimized solution by adding a multi-carbon chain of liquid demoulding agent. The program takes into account both quality control and paste performance improvement, and solves the problem of paste adhesion to rollers through synergistic control, and effectively improves the plasticity and surface smoothness of the paste, and enhances the mechanical performance of the catalyst and denitrification performance. The *Paste Performance Improvement Program* of Nanjing Environmental Protection was awarded the First Prize of QC Achievement by the Electricity Specialized Committee of China Occupational and Technical Association.

<<< Received the First Prize of QC Achievement >>>



Intellectual Property Protection

Datang Environment strictly complies with the *Copyright Law of the People's Republic of China*, *Patent Law of the People's Republic of China* and other laws and regulations, and has formulated the *Intellectual Property Management Measures*, *Scientific and Technological Research Files Management Measures* and other systems to clarify the responsibilities related to intellectual property rights, the contents of intellectual property rights protection and specific management measures, to encourage scientific and technological innovation, and to promote the development of scientific and technological innovation by means of effective intellectual property rights protection measures. During the Reporting Period, there was no violation of intellectual property laws and regulations.

Digital Transformation

While empowering technological innovation in the industry, Datang Environment actively applies cutting-edge technologies to promote the digital transformation of the enterprise and enhance operational efficiency. During the year, we adjusted and optimized the network structure, accelerated the construction of information systems, continued to improve the operation and maintenance system, practically enhanced the safety and security capabilities, and enhanced the operation and maintenance service level to provide strong support for business development.

3. GREEN AS THE FOUNDATION, PROTECTING THE ENVIRONMENT AND ECOLOGY

Faced with the severe challenges of global climate change and energy crisis, Datang Environment deeply understands the importance of actively fulfilling corporate social responsibility. We are guided by low-carbon and green principles, adhere to the concept of energy conservation and emission reduction, and focus on developing and applying for environmental protection and carbon reduction technologies and products with independent intellectual property rights. To ensure efficient environmental protection and energy-saving measures throughout the entire process of enterprise operation, we strictly adhere to legal norms related to environmental protection, pollutant emission management, and climate change, formulate internal management regulations, and implement a series of measures.

▶ 3.1 Environmental Management

As a leader in the field of environmental protection and energy conservation in China, Datang Environment has integrated green concepts into its corporate development vision: guided by the national “dual carbon” goal and taking the construction of a beautiful China as an opportunity, it seizes the opportunity of integrated protection and systematic governance of mountains, rivers, forests, fields, lakes, grasslands, and sands, and insists on becoming a benchmark enterprise for green and low-carbon development. Through industrial restructuring and reshaping, Datang Environment has transformed itself into a first-class comprehensive energy and environmental governance service provider with “leading technology, excellent products, industry synergy, and intelligent efficiency”.

The Group is well aware that our main operational activities will have an impact on the environment and natural resources, and therefore actively promotes the practice of comprehensive environmental management. On this basis, the Group strictly complies with relevant laws and regulations on environmental protection, emission regulation, resource utilization, and response to climate change, and has successfully passed the ISO 14001:2015 environmental management system certification. At the same time, to ensure the efficiency and compliance of the operation process, the Group has formulated and implemented a series of internal rules and regulations, including but not limited to the *Environmental Incident Investigation and Management Measures*, the *Responsibility System for Ecological and Environmental Protection* and the *Environmental Management Operation Control Procedures*, and management regulations for raw and auxiliary materials and hazardous materials, to ensure the efficiency and compliance of all work in the operation process.

We continue to optimize and improve our environmental management system, clarifying the responsibilities of various levels of organizations in environmental management. The detailed environmental management responsibilities of each level are shown in the table below:

Group Level	Environmental Management Responsibilities
Headquarter of the Group	<ul style="list-style-type: none"> • The Group Headquarter is primarily responsible for formulating overall strategies and planning to ensure the full implementation of environmental protection policies; • Improving relevant systems and measures of the Group Company and establishing a sound energy conservation management system; • Responsible for breaking down and implementing the production quota assigned by the Group Company, and implementing supervision and assessment; • Organizing training and assessment on production operation and energy conservation management; • Organizing energy-saving work analysis meetings, analyzing and evaluating the implementation of energy-saving work of the management organization, and formulate annual goals and measures for energy-saving management.



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

According to the management regulations such as the *Safety Production Rewards and Punishments Regulations of China Datang Corporation*, the *Regulations on Investigation of Accidents in Electric Power Production Safety of China Datang Corporation*, and the *Methods for Investigation and Handling of Environmental Incidents of China Datang Corporation*, we have formulated the *Management Measures for Investigation and Handling of Environmental Incidents of Datang Environment Industry Group*, which clearly states that personnel at all levels of the Company should firmly establish the “red line” and “bottom line” awareness of environmental protection work. In this context, the “red line” means successfully achieving the environmental protection goals set by the national environmental protection department; the “bottom line” means that it will not be publicly criticized by environmental protection departments at or above the provincial level, and will avoid incidents that may have a negative impact on the reputation of the Group Company.

For departments and employees who conscientiously fulfill their ecological and environmental protection responsibilities and make contributions, the Group will commend and reward them. For departments and projects that have significant impacts or environmental events, we will handle the company leaders and department heads responsible for ecological and environmental protection management and supervision based on the investigation results and responsibility determination of environmental events. This year, the Group has not experienced any environmental violations.



Case:

Comprehensively Assess the Risks of Environmental Factors

This year, we have continuously strengthened the entire process risk management system, further integrating environmental risks into the existing risk management system. We have conducted risk analysis from internal and external risks, operational control risks, compliance obligations risks, and important environmental factor risks, systematically and comprehensively evaluated the existing risks in Datang Environment, estimated the consequences of risks, and classified various types of risks.

At the same time, we have set corresponding response and control measures for different risks. For example, in response to the risk of soil pollution caused by materials containing chromium, lead, mercury, and other elements due to the lack of control over hazardous waste (such as toner cartridges, ink cartridges, ribbons, and fluorescent lamps) in solid waste, it is required to set up solid waste recycling bins and fill in solid waste recycling records to regulate and control hazardous waste.



Case:

Water Engineering & Technology Responds to Environmental Protection Policies such as the *Comprehensive Work Plan for Energy Conservation and Emission Reduction for the “14th Five-Year Plan” Period*

Water Engineering & Technology, centering on the requirements of clean and efficient utilization of coal in the *Comprehensive Work Plan for Energy Conservation and Emission Reduction for the “14th Five-Year Plan” Period*, actively carried out clean production and waste heat utilization of coal-fired power plants, researched and developed the zero emission technology of desulfurization wastewater “low-temperature flash concentration + high-temperature rotary atomization drying” and realized engineering application, respectively using low-temperature and high-temperature flue gas as heat sources to realize the cascade utilization of waste heat of power plants, improve energy utilization rate and reduce energy consumption; establish a new business model working group around the fields of clean heating/cooling and comprehensive smart energy, explore centralized heating with waste heat pumps in power plants, heat pump heating/cooling services in public buildings and industrial and commercial complexes, and improve the low-carbon level of terminal energy consumption.

▶ 3.2 Addressing Climate Change

Referring to the four core elements of the Task Force on Climate-Related Financial Disclosures (TCFD) framework: governance, strategies, risk management, and the gradual development and implementation of climate change response measures based on indicators and objectives, Datang Environment conducted in-depth research on the impact of climate change on the operations at various levels, taking into account the domestic and international climate change situation. We are gradually developing and implementing an effective set of climate change response measures to ensure the normal operation of the Group and achieve sustainable development.



Governance

The Board of Datang Environment recognizes that the impact of climate change on the world and individual industries is becoming increasingly significant, and we consider climate change as a core focus for improving ESG governance. Under the unified decision-making and strict supervision of the Board of Directors, the ESG work leadership group is fully responsible for climate change risk assessment and response, as well as climate risk management in practical and grassroots operations.



Strategies

In response to the trends and opportunities of climate change, we actively maintain close communication with relevant interest groups and actively establish cooperation and exchange relationships with external experts and scholars to jointly promote environmental technology innovation and continuously improve climate response strategies. We will use resilience and creativity to drive the realization of new energy, new products, new markets, and new mechanisms.

In order to meet the energy-saving and emission reduction needs of the Company and standardize the energy-saving and consumption reduction management of desulfurization and denitrification environmental protection facilities in thermal power enterprises, we have formulated the *Guiding Opinions on Energy Conservation and Consumption Reduction of Desulfurization and Denitration Environmental Protection Facilities of China Datang Corporation Co., Ltd. (Trial)* based on the actual situation of safety production, effectively enhancing the Company's response strategy to climate change issues.



During this Reporting Period, we have identified physical risks that may have an impact on the business operations of the Group and have developed corresponding emergency plans and response measures for this:

Disaster Type	Response Measures
<p>Extreme cold weather</p>	<ul style="list-style-type: none"> ● Develop the <i>Emergency Response Plan for Extreme Cold Weather for Datang Environment Industry Group Co., Ltd.</i>; ● In extremely cold weather, all outdoor high-risk operations are prohibited to prevent unsafe incidents such as falling, electric shock, and frostbite; ● Strengthen the maintenance and inspection of power equipment and heating facilities to ensure stable and reliable power supply and heating; ● Provide employees with cold weather protection gear, and promote and train them on cold weather awareness to enhance their awareness and coping ability in cold weather conditions; ● Strengthen communication with network operators, especially strengthen data center inspections and maintenance, always pay attention to the data center environment and network operation, and ensure the safe operation of communication and network in extremely cold weather.
<p>Flood</p>	<ul style="list-style-type: none"> ● Develop the <i>Emergency Plan for Typhoon, Flood and Heavy Convection Weather</i>; ● Approve and issue the <i>Work Plan for Flood Prevention and Disaster Reduction</i> on the eve of each flood season and supervise the implementation; ● Pay attention to the climate risk warning system, strengthen the supervision and maintenance of drainage systems and water conservancy facilities; ● Strengthen communication and collaboration with relevant frameworks to ensure stable and timely water, power, and gas supply; ● Before the flood, it is necessary to carefully organize flood prevention and disaster relief drills, implement responsibilities, and enhance the disaster prevention and self-rescue ability and crisis awareness of employees; ● Conduct a comprehensive inspection of the equipment and key flood control parts under its jurisdiction, and develop a plan to rectify any issues found during the inspection that affect safety during the flood season within a specified period of time; ● During the emergency flood control period, all members of the flood control assault team should be on duty, each carrying out their own duties and responsibilities.



During this Reporting Period, our subsidiaries actively established energy-saving and consumption reduction targets, continuously monitored the performance and completion of key indicators, regularly reviewed and evaluated the targets and performance, formulated corresponding improvement plans and measures, and committed to reducing greenhouse gas emissions.



Case: Datang Environment Successfully Holds a Pilot Seminar on Online Carbon Emission Monitoring

In September 2023, a seminar was hosted by Datang Environment and co-organized by Fuzhou Power Plant, inviting six external experts and representatives from more than ten subsidiary companies and pilot units to participate. The carbon monitoring pilot project led by Datang Environment has been officially put into operation for five months at the No. 1 and No. 2 units of Datang International Jiangxi Fuzhou Power Plant, achieving favourable phase outcome and receiving recognition at the seminar. We will conscientiously implement the opinions of the expert group and attending representatives, adhere to scientific and technological innovation as the guide, and support new industry incubation platforms. We will vigorously promote the follow-up pilot implementation work, accelerate the construction of a core carbon monitoring technology system, and promote the development of carbon monitoring industrialization.



<<< Pilot Seminar on Online Carbon Emission Monitoring >>>



<<< Carbon Monitoring Pilot >>>



Case: Datang Environmental Photovoltaic Project

The Group has operated a total of 12 rooftop photovoltaic projects with a total capacity of 14.94 MWp. In 2023, the total power generation of photovoltaic projects reached 6.9265 million kWh. By promoting and applying green energy projects, we actively contribute to addressing climate change and contributing to the country's "dual carbon" goals.



<<< Roof photovoltaic project >>>

▶ 3.3 Emissions Management

The Group always adheres to the value of environmental protection and resolutely implements relevant laws and regulations such as the *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes*. We strive to establish and improve internal control systems such as the *Assessment Measures for Environmental Protection and Production Quota*, in order to enhance our deep understanding of environmental regulations and always maintain environmental compliance in the operation process. In addition, we actively promote emission reduction work and further implement our environmental commitments.

In the operation process, we are committed to using technological innovation and advanced environmental protection technologies as engines, continuously optimizing production processes, improving resource utilization, and reducing energy consumption. Within the framework of relevant environmental regulations, we have set a series of goals to reduce emissions of air pollutants, waste, and wastewater, including avoiding any environmental pollution accidents caused by our own operations, to demonstrate our determination to achieve our commitment to green development. Our goal is to contribute to maintaining the environment and achieving sustainable development through continuous efforts and innovation.

Air Pollutant

The Group attaches great importance to the management of atmospheric pollutants and regards atmospheric environmental protection as an important task. In project management, we adhere to the *Construction Dust Control System* to ensure compliance with relevant national regulations during the construction process. To further reduce the impact of exhaust gas on the environment, we have installed advanced dust removal and slag removal equipment on the operation site of environmental protection facilities, thereby improving the efficiency of pollutant treatment. At the same time, the Concession Operation has established a *Desulfurization and Denitrification Facility Operation Management Process* to standardize the management of desulfurization and denitrification operation projects, ensure the safety of desulfurization and denitrification system operation, and achieve economic and environmental benefits.

We have developed a series of rigorous emission reduction measures to address issues such as process exhaust gas, construction dust, and vehicle exhaust generated during the operation process, as shown in the table below:

Process Air Emissions

Establish the Environment Protection Management Committee and formulate a position-based environmental protection responsibility system;

Compile the Operating Procedures for the Operation of Air Emission Pollution Control Facilities, and train the operators at relevant positions to operate according to the regulations;

Conduct regular maintenance and inspection of air emission treatment facilities and reduce fugitive air emissions;

Regularly organize various drills and summarize drill experience to improve emergency plans.

Construction Dusts

Harden the construction site ground and apply appropriate greening treatment to reduce dust emissions during construction, protecting the environment and the quality of life for nearby residents;

Prohibit direct exposure and stacking of powdery materials, and implement dust suppression measures such as surface covering or watering. Strictly manage powdery materials to effectively reduce dust pollution and ensure environmental hygiene at the construction site;

Timely clean up the construction site to prevent dust emissions. Strengthen site cleaning and maintenance to ensure smooth construction and reduce the impact on the environment.

Vehicle Air Emissions

The office is responsible for the unified management of the Company's vehicles to ensure their safe and reasonable use. Through strict supervision, the efficiency of vehicle use can be improved, and automobile exhaust emissions can be reduced.

Vehicles are scheduled reasonably based on employees' travel needs, taking into account travel time and route, effectively reducing empty trips during the journey and minimizing the vehicle's impact on the environment.

Encourage employees to walk or take public transportation to and from work to reduce automobile exhaust emissions at the source. Through promoting environmental protection concepts and raising employees' environmental awareness, energy-saving and emission-reduction actions can be implemented.




Case:

Datang Environmental Desulfurization and Denitration Project

Datang Environment ranks first among similar enterprises in China in terms of licensed installed capacity for desulfurization and denitrification, with 36 licensed operation projects covering 15 provinces across the country. At present, Datang Environment has a total of 95 desulfurization units and 69 denitrification units, all of which comply with ultra-low emission standards.

After efforts, Datang Environment has successfully completed environmental protection projects within the Group Corporation system, including the construction and renovation of over 100 desulfurization projects, over 150 denitrification projects, and over 100 dust removal projects to ultra-low emission standards. Through such a series of environmental actions, Datang Environment has reduced its emissions by over 7.57 million tons of sulfur dioxide and 680,000 tons of nitrogen oxides, significantly reducing its impact on the environment and improving the atmospheric environment.




 Case:	Nanjing Environmental Protection Achieves Standard Emission Concentrations for Air Pollutants
<p>Nanjing Environmental Protection has developed an air quality monitoring program, regularly conducting surveillance of pollution sources. The monitoring results indicate that emitted pollutants such as low-concentration particulate matter, sulfur dioxide, nitrogen oxides, and others meet the emission requirements outlined in the <i>Industrial Furnace and Kiln Air Pollutant Emission Standards</i> (DB 32/3728-2020), <i>Odor Pollutant Emission Standards</i> (GB14554-1993), and <i>Comprehensive Air Pollutant Emission Standards</i> (DB32/401-2021).</p>	


Wastewater

The Group holds a rigorous attitude in wastewater treatment, especially in the management of production wastewater and domestic wastewater. We adhere to the *Integrated Wastewater Discharge Standard* and ensure that the power plants of each project continuously and strictly monitor the water quality of the environmental protection facilities on site, continuously striving to implement efficient and standardized treatment measures.

In terms of production wastewater management, we have optimized the desulfurization wastewater treatment system according to the *Guidance Manual for the Optimization and Operation of Desulfurization System*. By dynamically monitoring the drug concentration and adjusting the operating conditions of monitoring equipment, it is possible to prevent an increase in water consumption caused by low concentration, thereby reducing the amount of wastewater added and sludge treatment. We have also implemented a zero-discharge policy for wastewater by improving water efficiency and utilizing efficient water treatment technology to convert high concentration organic wastewater and saline wastewater into solid or concentrated solutions, in order to change their pollution properties and achieve the goal of reducing their impact on the environment.

For the management of domestic wastewater, we encourage employees to save water and reduce unnecessary waste, and standardize the discharge routes of domestic wastewater. These wastewater must be purified through septic tanks and oil separators before being discharged into dedicated domestic wastewater discharge outlets. At the same time, the Group also prohibits the placement and dumping of chemicals and oil pollutants to prevent further environmental pollution.

 Case:	The Reclaimed Water and Sewage Treatment project of Datang Yuncheng Power Plant
<p>On November 28, 2023, Water Engineering & Technology successfully won the chemical wastewater treatment and circulating water discharge project of Datang Yuncheng 630℃ ultra supercritical secondary reheat national power demonstration power plant. The pyramid of this project also means that the water treatment capacity of the Water Engineering & Technology has been widely recognized in the industry. In addition to providing valuable performance support, this also demonstrates the company's achievements in technological innovation, improving service quality, and strengthening brand building.</p>	

 Case:	Water Engineering & Technology Achieves the Goal of Zero Discharge of Wastewater from Coal-fired Power Plants
<p>Water Engineering & Technology focus on zero discharge of wastewater from power plants, carry out technological research and development, and transform achievements into related patented technologies. They apply their self-developed technologies to zero discharge projects of wastewater from power plants, promote the recycling of wastewater resources, and achieve the goal of zero discharge of wastewater from coal-fired power plants.</p>	



Case:

Nanjing Environmental Protection Achieves Standard Emission Concentrations for Wastewater Pollutants

Nanjing Environmental Protection adopts a combination of manual and automatic monitoring methods to routinely monitor the concentrations of various pollutants in wastewater. Parameters such as pH, suspended solids, chemical oxygen demand, ammonia nitrogen, total vanadium, total nitrogen, total phosphorus, etc., in the wastewater all meet the emission requirements outlined in the *Vanadium Industrial Pollutant Emission Standards* (GB26452-2011), *Comprehensive Wastewater Discharge Standards* (GB8978-1996), and *Water Quality Standards for Discharge into Urban Sewers* (GB/T 31962-2015).



Case:

Promoting Water Conservation and Pollution Reduction, Completing the Zero Discharge Renovation Project for the Entire Plant

In 2023, in order to promote the synergistic management of water conservation, pollution reduction and carbon reduction in the enterprise industry, and at the same time safeguard the safe and economic operation of the unit in an all-round way, we launched zero-emission technological research and engineering applications such as source reduction based on green and low-carbon anti-fouling, modification of the precipitates layer and in-depth utilization, condensate refinement and intelligent optimized control, and optimized technology of the low-temperature flash-concentration-coupled concentration-drying tower, etc. We also completed the the zero-discharge wastewater renovation project in June 2023.

After the application of the results, the annual direct economic benefits of RMB13.5 million: the production of desulfurization wastewater decreased from 36m³/h to 25m³/h, the cost of zero wastewater discharge process reduced by RMB12 million, the annual reduction in operating costs of RMB8 million; average annual savings of about RMB900,000 in cleaning costs, reducing the cost of cooling tower filler replacement costs of RMB12 million; the average reduction of condenser end difference by 1℃, the reduction of coal consumption by about 0.3% of the average condenser end difference is reduced by 1℃, the coal consumption is reduced by about RMB3 million per year; at the same time, an intelligent and optimized control system for fine treatment has been developed, which realizes the automation, intelligence and refinement of the condensate fine treatment, and saves labor cost of RMB200,000/year (based on 2 people) by no manned operation; in addition, it realizes the reduction of the fine treatment of high-salt waste water by 50%, and reduces the amount of terminal waste water by 37.5 thousand tons in a year, and saves the use of 70 thousand tons of clean water, which is a significant benefit in water saving and environmental protection. The benefits of water saving and environmental protection are significant.

Waste

In waste management, the Group adheres to an environmentally-centric philosophy, recognizing the value of “green waters and green mountains are golden mountains and silver mountains”. We strictly adhere to relevant laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes* and *National Hazardous Waste List*. For various types of waste, we have developed several comprehensive internal management systems, including regulations such as *Regulations on the Management of Disposal of Solid Waste and Hazardous Waste* and *Administrative Measures for Denitrification Catalysts for Coal-fired Power Plants (Trial)*, detailed methods of which are outlined in the table below:

Non-hazardous Waste

Classify waste materials, with non recyclable ones collected by cleaning personnel from the administrative department and placed at household waste storage points. Companies with qualifications for handling household waste will regularly transport and dispose of them, and the quantity of handover will be recorded;

Collect and store recyclable waste in designated locations; production waste paper and cardboard are the responsibility of the materials department, and are regularly handed over to the waste recycling company for recycling; the materials department is responsible for regularly collecting and transporting scrap metal.

Hazardous Waste

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

To ensure the effective implementation of environmental protection policies, the Group has conducted detailed identification and classification of various types of waste, and refined the responsibility for waste disposal to various departments, ensuring comprehensive coverage at the management level. In addition, we have also set management goals based on the principle of repairing old and utilizing waste. While saving raw materials and reducing production costs, we have standardized and rationalized the disposal of waste sources such as waste flue gas denitrification catalysts, stabilizing the normal order of production.

In terms of waste management in the Company's office area, we comply with relevant regulations such as the *Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes* and *National Hazardous Waste List*, such as ink cartridges, in compliance. The Safety Production Department implements corresponding regulations to ensure the cleanliness and safety of the office area. Concession Operation adheres to high standards in the management of environmental engineering projects, and carries out specialized management of chemicals involved in construction, such as benzene dilute substances, effectively controlling the risk of chemical waste.



Case:

Water Engineering & Technology Leads the Transformation of Non-hazardous Solid Waste with Professional Characteristics

Water Engineering & Technology adheres to the goal of reduction and resource utilization to dispose of harmless waste such as sludge and fly ash. Through technological development, design optimization, and operational control, they promote the resource utilization of waste. Water Engineering & Technology continues to promote waste reuse projects, investing in the construction of the Datang Leizhou Water Island Build-Own-Operate (BOO) project, which can dispose of 400 tons of sludge annually. The Datang Dongying Water Island BOO project has been established, which can also burn 200 tons of sludge annually, effectively controlling the discharge of solid waste and converting it into reusable resources. This reuse approach creates a new model of green circular economy and promotes its significant development.

Noise

In terms of noise pollution control, the Group attaches great importance to and controls industrial noise generated during operation in accordance with relevant regulations. In order to ensure that the surrounding residents and environment are not affected, we take appropriate noise reduction and sound insulation measures for various production equipment. For example, based on the principles of building sound insulation and natural sound attenuation, we set up production equipment in sparsely populated areas; and install a sound insulation device with an independent base on the desulfurization and oxidation fan, adopting a fully enclosed design to reduce the sound emitted from the bottom. Furthermore, special damping devices are installed on the exhaust pipes of the fan to effectively reduce pressure fluctuations and noise in the exhaust pipes. Through this effort, the Company's noise pollution problem has reached a minor level and fully complies with national standards. All installation facilities, such as fillers and isolation covers, are reflected in the equipment we purchase and comply with national standards.

▶ 3.4 Circular Economy

Datang Environment adheres to the *Energy Conservation Law of the People's Republic of China* and various laws and regulations related to the use of resources and energy. We continuously improve internal regulations and systems such as the *Management Measures for Production Energy Conservation in Production* and the *Management Measures for Bulk Materials*. Subsidiary companies actively formulate goals related to energy conservation and water resources and implement a series of measures to efficiently utilize resources:

Electricity

- Establishment of a sound position responsibility system: Each construction site's electricity usage is monitored by personnel designated by the construction party, who are responsible for meter reading and measurement, diligently filling out operation records; professional personnel must be assigned to each electrical distribution room at various electricity usage locations;
- Power loads in office buildings, conference rooms, etc., should be controlled using separate switches;
- The person in charge of electricity usage should regularly check for instances of lights being left on when not needed;
- When departments in the management office upgrade their equipment, they should consider phasing out high-energy-consuming electromechanical equipment and strive to replace them with energy-saving technology products. When purchasing electrical appliances, reliable and low-energy-consuming products should be selected.

Gasoline and Diesel

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

Natural Gas

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

Raw Materials and Office Consumables

- Promote the recycling of waste packaging bags, packaging drums, and waste catalyst module frames;
- Save paper by issuing a reasonable quantity of paper-based documents and files, streamlining meeting materials, and encouraging double-sided use of paper for documents. Advocating for paperless office practices;
- Encourage the principle of exchanging old office supplies for new and using supplies according to local conditions and needs; fill out and report the office supply requisition form as required.

Water Resources

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

In terms of energy conservation, the Group focuses on strengthening energy-saving and environmentally friendly power dispatch management, actively cultivating energy-saving technology service systems, promoting energy contract management, and promoting the industrialization of energy-saving services. At the same time, we have taken strong and effective measures in the management of resources and energy use to ensure the achievement of resource efficiency goals. We have established an *Energy Conservation Management System* in the office area and strictly implemented conservation and management measures in various engineering projects and environmental protection facilities on site.

During this Reporting Period, the Group obtained suitable water sources through municipal pipeline networks, sewage regeneration and reuse channels, and there were no issues with obtaining water sources.



Case:

Concession Operation Implements the “One Enterprise, One Diagnosis, One Factory, One Policy” Plan to Improve Overall Production Performance

In order to improve production indicator management, reduce costs and improve efficiency, Concession Operation will deepen the achievement and optimization of energy and material consumption indicators in stages. Benchmark industry leaders, identify gaps and formulate measures, establish benchmarks and draw on typical cases, and conduct specialized analysis of “One Enterprise, One Diagnosis, One Factory, One Policy”.

At the same time, carry out the output force work of the sliding mill in the Chaozhou and Luohe project departments, and solve the problems of uneven flow field distribution and poor automatic adjustment performance of ammonia injection in Chaozhou and Wangtan projects. Especially in Leizhou and Gongyi, the ammonia injection optimization and Chaozhou denitration dilution air renovation projects have led to a decrease in ammonia consumption from 0.30g/kWh to 0.25g/kWh after the commissioning of Leizhou Unit 1, reducing urea consumption by approximately 430 tons per year, effectively saving costs.

Collaborating with Datang Environmental Protection Technology Research Institute, we will promote the optimization and commissioning of denitrification and ammonia injection for 14 units including Huludao and Tuoketo, as well as the thermal leveling test for denitrification of 20 units in Nanjing and Hushan. We will continuously reduce energy and material consumption, comprehensively improve the comprehensive ability of the project department to control indicators, and ensure optimal indicators.

Concession Operation strengthens regional management, implements performance evaluation, implements a “master apprentice” production skill training, and conducts special analysis for key project departments with poor energy consumption indicators. Through performance testing of the entire desulfurization and denitrification system, deep equipment management, and the application of new technologies, a reduction of 1.4% in desulfurization power consumption has been achieved, achieving the goal of reducing limestone consumption, desulfurization water consumption, and denitrification agent consumption, improving production and operational performance, and achieving the goal of green development.



Case:

Nanjing Environmental Protection Has Been Recognized for Improving Resource and Energy Efficiency

Nanjing Environmental Protection has established a dedicated energy management agency to monitor the energy and energy conservation situation at each production stage; establish a quota assessment system, develop advanced and reasonable quota indicators, decompose energy-saving indicators into workshops, teams, and machinery equipment, and formulate corresponding reward and punishment systems. Nanjing Environmental Protection actively selects energy-saving and environmentally-friendly new equipment and technologies when selecting universal energy consuming equipment, uses advanced energy-saving production equipment, and reasonably allocates equipment size; reasonably organize production, use energy reasonably, strengthen electrical energy management, prevent idle operation, reduce transmission and distribution line losses, reduce reactive power losses, and improve the electrical energy utilization rate of electrical equipment.

In 2023, the customized replacement of 6 high-temperature zones for higher insulation performance equipment in the 1 # calcination furnace has been completed as planned to improve insulation, reduce energy consumption, and reduce environmental risks. The technical transformation can save about RMB1.91 million in natural gas costs annually, achieving a win-win situation of improving quality, efficiency, and energy conservation and emission reduction. Nanjing Environmental Protection vigorously promotes the energy-saving renovation of existing buildings, and the 3.4MW smart energy project in the park has always adhered to the “spontaneous self-use and surplus electricity grid connection” mode, generating a total of 3.6655 million kWh of electricity throughout the year, exceeding the design value by 14.56%; the online power consumption is 440,900 kWh; the cumulative direct economic benefits generated throughout the year were RMB2.68 million.

Regarding the use of water resources, Nanjing Environmental Protection conducts monthly measurement and accounting for each water use link. The Department of Health and Safety prepares monthly energy analysis reports. Nanjing Environmental Protection has been setting targets for water consumption in production workshops since 2019 and conducting assessments. In 2023, the production water target was far lower than the assessment target. Since 2017, it has been continuously rated as a credit green enterprise for environmental protection in Jiangsu Province.



<<< Awarded the title of Jiangsu Province Environmental Credit Green Enterprise >>>

4. CREATING A PEOPLE-CENTERED SOCIETY FOR THE COMMON GOOD

Datang Environment attaches great importance to employee management and recognizes the importance of good employees to corporate development. With safe production and ensuring occupational health and safety as the prerequisite, we are committed to creating a work environment full of humanistic care. At the same time, we are concerned about the growth and well-being of our employees, and through the provision of diversified training and learning opportunities, as well as diversified welfare benefits, we expect that each of our employees will be able to find self-fulfillment and satisfaction in their work. In addition, we actively contribute to the community by participating in community services and sharing the fruits of growth. Recognizing the importance of the symbiotic relationship between long-term corporate development and the community, Datang Environment will spare no effort to work together with the community to build a better future.

▶ 4.1 Employment Management

Legal Employment


During the Reporting Period, we strictly complied with the *Labor Law of the People's Republic of China*, the *Law of the People's Republic of China on Labor Contracts* and the *Implementation Regulations of the Law of the People's Republic of China on Labor Contracts*, and formulated a number of management systems, such as the *Measures for the Management of Labor Relationships* and *Management Standards for the Recruitment and Dismissal of Employees*, which focused on the management standards for labor contracts, recruitment and dismissal to ensure the internal norms of equal employment. Datang Environment firmly opposes any form of discrimination and eliminates discriminatory behavior based on nationality, age, ethnicity, gender, religious beliefs, or due to illness and mental and physical impairment, etc., and provides all employees with fair employment opportunities to create an equal and inclusive working environment.

We adhere to ethical principles and humanistic care, and uphold the spirit of the *International Labor Organization's Declaration on Fundamental Principles and Rights at Work*, and firmly resist the employment of child and forced labor. We check the personal information of employees, including their age, in accordance with the law before pre-employment to ensure the legality and compliance of talent recruitment. We will take a "zero-tolerance" approach to any non-compliance, including termination of the labor relationship with the employee and investigations to prevent the recurrence of similar incidents.

Rights Protection

Datang Environment is committed to providing competitive salaries and benefits to our employees and continuously improving our employee rights and benefits management structure. To this end, we have formulated relevant institutional documents such as the *Employee Salary Management Measures*, *Employee Welfare Management Measures* and *Management Measures for Work Hour Evaluation*, which set out detailed provisions on the method of salary distribution and payment methods for the unit managers and ordinary employees, and pay salaries on time and provide "insurance and housing fund" according to the law, as well as supplementary medical care, overtime allowances and other additional benefits, so as to strengthen the incentives and restraints of salary distribution. We have also strengthened the incentive and constraint mechanism for salary distribution to reward employees who have made significant contributions to the Company or who have worked professionally and conscientiously, so as to fully mobilize the enthusiasm and creativity of our employees.

In terms of working hours and vacation, we have formulated the *Attendance and Vacation Management Measures* and other relevant system documents to make detailed provisions on the working and rest time, types of vacations, holidays and entitlements of our employees, so as to safeguard the rights and interests of our employees and at the same time, to maintain the management of the working order and to improve the efficiency of our work.



In terms of staff promotion protection, we have formulated relevant systems and documents, such as the *Measures for the Management of Post Promotion*, to rank staff with different academic qualifications and experience, and to specify the assessment details for staff promotion, so as to meet the needs of individual staff's career development, and to realize the full utilization of their talents and abilities.

In terms of employee communication and protection, we have established and implemented a system of factory affairs disclosure. Through regular staff representative meetings and other forms, we disclose to the staff major issues of the production and operation management of the branch, rules and regulations involving the immediate interests of the staff, and the situation related to the clean practice of the management staff in accordance with the procedures, so as to listen to the views of the staff and accept the supervision of the staff. We review and evaluate the rights and interests of employees from time to time and conduct employee satisfaction surveys through questionnaires as a basis for continuously improving the ability to protect the rights and interests of employees and constructing a happy workplace.

In respect of the disposal of labor disputes, the subsidiaries of the Group have formulated measures for the handling of labor disputes and the management of legal dispute cases in accordance with relevant laws and regulations. In the event of labor disputes, internal consultation and mediation will be carried out first, and in the event that mediation and consultation fails to be carried out, the procedures will be handled in accordance with legal provisions.

► 4.2 Safe Production

Production safety is crucial to the stable development of Datang Environment. To this end, we strictly comply with relevant national laws and regulations, such as the *Law of the People's Republic of China on Work Safety*, and in accordance with national policies and industry standards, we have formulated a series of organized production safety management procedures, including the *Management Provisions on Production Safety Responsibility of All Personnel* and the *Management Regulations on Safety Education and Training*, etc., which help us to effectively control potential safety risks in all of our production and service processes, and we continue to carry out optimization to improve the level of safety and reduce the incidence of production safety accidents. We continue to optimize and improve safety levels and reduce the incidence of production safety accidents.

Adhering to the principle of prevention, we have established a comprehensive production safety responsibility system, strengthened our safety inspections, conducted regular safety inspections of production lines and equipment, set up a file of environmental factors and possible sources of hazards, and detected and solved safety problems in the production process at an early stage. We have clear and timed solutions and assigned specialists to deal with the problems of safe production and management raised by our superiors in the course of inspections. During the year, Datang Environment completed the level inspection and maintenance of 61 environmental facilities. During the peak period, we worked with 111 outsourced teams with a total of more than 4,200 operational staff to perform 38 high-risk operations and monitor 8 national-level major hazardous sources.

In the face of double pressure and responsibilities, including production safety, project execution, power supply protection, meeting emission standards, network security and technological innovation, we insisted on giving top priority to the major task of production safety, followed the various requirements of the country and the Group in relation to production safety, successfully accomplished the annual production safety target, firmly fulfilled the political and social responsibilities of a centralized enterprise, deepened the implementation of the "Five Outstanding Rectifications", reinforcing the construction of intrinsic safety projects, maintaining a safe and stable production environment.

We are fully prepared for potential emergencies and follow the principles of unified guidance, shared responsibility, enhanced liaison and rapid response with a view to minimizing losses from emergencies. We have formulated contingency plans and organized regular drills to enhance the capability of our staff in emergency response.

During the year, there were no incidents of non-compliance that had a material impact on the Company and in the past three years, we have not experienced any work-related fatalities and the number of days lost to work-related injuries was zero.

Safety Training

Adhering to the principle of “prevention-first and people-oriented”, Datang Environment attaches great importance to safety training and endeavors to enhance the safety awareness and professional skills of its employees. In terms of system, we have formulated the *Regulations on Safety Education and Training Management of Datang Environment Industry Group Co., Ltd.* in accordance with the *Work Safety Law, Regulations on Safety Training of Production and Operation Enterprises* and other laws and regulations as well as departmental rules and regulations, and with reference to the *Regulations on Safety Production* and *Regulations on Management of Safety Education and Training* of the Group Company, and taking into account the actual situation. At the same time, we actively organize safety education and training and inspections to strengthen safety management and lay a solid foundation for sustainable and healthy development.

During the year, we conducted an in-depth survey and analysis of our safety training needs and formulated training plans and inspection programs based on the survey results. Our safety education and training work adheres to the principles of “teaching according to needs”, “linking theory to practice” and “training first, employment later”, and no employee can work without passing the safety education and training. With the concept of “safety first, life first” as our aim, we continuously strengthen and improve our safety training system. During each safety production month and quarterly inspection, the Group immediately launches professional training to enhance the effectiveness and quality of the training, and actively organizes regular first aid drills to promote the knowledge of first aid and to improve the ability of employees to respond to unexpected accidents. In addition, taking into account the lessons learned from past accidents, Datang Environment has strictly regulated the three levels of safety training for new or transferring staff to ensure that they are qualified and certified before taking up the relevant positions.

The Group integrates online and offline training methods, and organizes various safety publicity activities in a diversified manner to create a safety atmosphere for all employees to participate in. At the same time, we also provide safety education and training through experiential and case studies to enhance the risk identification and self-protection abilities of frontline employees. We focus on publicizing the new version of the *Work Safety Law*, reflecting on accident cases, simulating and analyzing violations, and providing thematic training, with the aim of reinforcing the safety awareness and concept of responsibility of employees at all levels, further developing good work habits, and comprehensively enhancing the ability of employees at all levels to be alert to safety and be fully prepared to deal with it.



Case: 2023 Datang Environment's Safety Production Month Activities

During the 22nd National “Work Safety Month”, Concession Operation was well-prepared and actively carried out various activities to thoroughly implement the Group's work safety requirements, as well as carrying out safety inspections by staff representatives and other hidden dangers to enhance the ability of all staff members to respond to emergencies and rescue operations. The Environmental Protection and the Water Engineering & Technology, taking into account the risk characteristics of their respective occupations, launched specialized emergency drills and training, set up inspection teams to raise the standard of safety inspections, and organized activities such as the “Safety Consultation Day” to promote safety awareness in depth and to enhance the knowledge and handling ability



<<< Safe Production Activities Training >>>

of all staff members in relation to safety. The Waterworks Engineering Company also organized “online + offline” safety education and accident case studies to strengthen the safety awareness of its staff. These initiatives were not only innovative breakthroughs in the “Safety Production Month”, but also laid a very solid safety foundation for the companies, which is of great significance in enhancing the safety production management standard of the enterprise.



<<< Production Safety Knowledge Competition >>>



<<< Environmental Protection Safety Pledge Signing Ceremony >>>

► 4.3 Occupational Health and Safety

The Group recognizes that the physical and mental health as well as the occupational safety of its employees are of paramount importance. The Group adheres to the concept of "prevention as the mainstay, prevention and treatment as well as equal emphasis", strictly complies with national and local regulations such as the *Prevention and Treatment of Occupational Diseases Law of the People's Republic of China*, *Provisions on Supervision and Management of Occupational Hygiene in Workplaces* and operates in accordance with internal management regulations such as *Measures for the Administration of Occupational Hygiene in the Workplaces of China Datang Corporation*. During the Reporting Period, the Group passed the certification of ISO 45001:2018, the occupational health and safety management system.

For posts with high risk of occupational diseases, we provide three comprehensive occupational disease health checks for our employees “before joining, during and after leaving the post”, and legally organize occupational injury insurance for our employees. For outsourced projects, we regularly conduct unannounced spot checks to pay attention to the health status of on-site personnel, and supervise and instruct our employees to wear and use safety protection equipment correctly in accordance with the rules and regulations, so as to ensure that the occupational health of our employees is adequately safeguarded.

► 4.4 Employee Development and Well-being

Employee development and well-being is the cornerstone of corporate success, so we emphasize on employee education and training, and practice the strategy of strengthening the enterprise with talents, aiming to improve the overall quality of employees, productivity and service standards, and establish a good corporate image. At the same time, we also provide timely care and assistance to our employees to enhance their satisfaction and happiness, and strengthen the Company's centripetal force and cohesion.

In terms of the Group's training management system and structure, based on the "four-step approach" of "knowledge, education, retention and utilization", we have continued to build a "one body, two wings" based on the career development planning for young talents cultivated by graduates as the main body, and "two sequences" of career development and the expert talent system as the two wings, and to build an academician's workstation, a post-doctoral workstation, a youth science association, a science and technology research and development group, an innovation workshop, and an environmental protection training base in Nanjing, The Group has established the talent cultivation system of "one body, two wings and six platforms". At the same time, the Group has formulated an internal secondment, exchange and learning system to provide support for employees' career planning and change channels.

In terms of the training program system, we have formulated the training system based on the reform and development, production and operation, and the growth needs of our employees. Relying on the *Datang Environment Industry Group Co., Ltd. 2023 Training Project Plan*, we provide employees with four types of training, namely "Business Specialized Training", "Duty Competence Training", "Production Technical Skills Training" and "External Cooperation Training", which cover production management and environmental management, safety supervision and management, party building and propaganda management, human resources management, procurement management and legal risk control management, and so on. This has effectively enhanced the professional competence of our employees.

Based on the principles of "broad participation" of training targets, "close to reality" of training contents, "innovative and efficient" of training methods, and "interconnection and sharing" of training resources, we formulated a total of 30 annual training project plans during the Reporting Period. A total of 704 training programs were completed, including thematic training, seminars, technical exchanges, and business upgrading. The completion rate of these programs was 100%, and the average number of hours of training per capita was 105.01 hours, representing a training rate of 100%. A total of 80 people participated in the professional and technical qualification assessment this year, of which 49 were assessed and 31 were recognized.

In terms of employee care and assistance, we regularly pay condolences to employees in difficulty and carry out a series of activities on psychological care for employees, enhance employee health services and continue to promote the construction of "Happy Datang".



Case: New Employees, "Fresh Graduate Orientation" Program

In August 2023, in order to help the new employees adapt to the working environment as soon as possible, Nanjing Environmental Protection launched a 5-day induction training for fresh graduates. A comprehensive, scientific and reasonable training program was formulated from general education to business explanations, which covered the introduction of Nanjing Environmental Protection, explanation of the human resources, finance and procurement-related systems, safety education, network security education, press and publicity work, and pre-service honesty and cleanliness education. The business training included the popularization of the basic knowledge of denitrification catalyst, the current situation of internal and external market, catalyst operation and maintenance management and testing technology, etc., which was combined with visiting and learning to show the current business situation in all aspects. This training activity enhanced the new staff's understanding of corporate culture and system, cultivated their good working quality, and satisfied the demand of the talent team.



<<< Nanjing Environmental Protection's Conducts Induction Training for Fresh Graduates >>>



Case:

Escorting Employees' Psychology and Launching the "Employee Psychological Care" Program

In October 2023, when "World Mental Health Day" was approaching, Datang Environment launched the "Employee Psychological Care" activity to further implement the requirement of "attaching importance to mental health and mental hygiene", to strengthen the health service of employees, and to continue to promote the construction of "Happy Datang". The activity was carried out in the form of a garden party, and about 150 workers participated in nine psychological care programs such as "Very Good Self", "Who Knows My Heart", and "Working Together" by punching cards and collecting badges. Using psychological games, they experienced mutual cooperation and cohesion, which strengthened their self-awareness as well as exchanges and interactions among the workers.



<<< Datang Environment's "Employee Psychological Care Day" Series Activities >>>

► 4.5 Community Contribution

Datang Environment fulfills the role of a centralized enterprise and actively participates in social welfare activities and the construction and development of local communities. During the year, we continued to carry out a series of branded voluntary service activities, such as "Three-Color Flower" and "Learning from Lei Feng", and formulated relevant programs. At the same time, we also actively assisted the strategy of village revitalization by launching the "Central Enterprise Consumption Help Week for Farming", promoting water conservation and pollution reduction with special features, and completing the project of zero wastewater discharge renovation for the whole plant, and striving to realize common prosperity and development with the community, which demonstrated the image of a responsible central enterprise and further strengthened the reputation and social influence of Datang Environment.



Case:

Promoting the spirit of Lei Feng and launching the “Learning from Lei Feng” volunteer service activity

In March 2023, Nanjing Environmental Protection organized more than 20 party members, party activists and young members to go to Nanjing Moling Street Home for the Elderly to carry out the “Learning from the Lei Feng” volunteer service activity under the theme of “Volunteer service originates from the heart, dedicates to love and puts it into practice” to send warmth and care for the elderly, enhance their sense of well-being and sense of achievement, create a rich atmosphere of filial piety, love and respect for the elderly, and further carry forward the spirit of Lei Feng. The program further publicized the spirit of Lei Feng.



<<< Nanjing Environmental Protection’s “Learning from Lei Feng” Volunteer Service Activity >>>



Case:

Supporting Rural Revitalization, Launching the “Central Enterprise Consumption Assistance for Farming Week” Activity

Consumption assistance is an important way to promote the quality, efficiency and sustainable development of characteristic industries in poverty-stricken areas, and is an important measure to consolidate and expand the achievements of poverty alleviation, comprehensively promote the revitalization of villages, and gradually realize common prosperity. In September 2023, Nanjing Environmental Protection’s labor union took the Mid-Autumn Festival as an opportunity to formulate a purchase plan for consumer assistance, and used the centralized enterprise’s consumer assistance APP to purchase more than 240 copies of green, characteristic, and high-quality agricultural and sideline products, with a consumption of more than RMB40,000, which were timely distributed to employees, so that they could taste the local characteristics of the agricultural and sideline products and help promote the product market.



<<< Nanjing Environmental Protection Participated in the “Central Enterprise Consumption and Farming Week” Activity >>>

At the same time, Nanjing Environmental Protection actively plays the advantages of labor union organization to build a bridge of compassion. It widely mobilizes the staff to participate in the “central enterprise consumption to help farmers week” livestreaming for online purchase of agricultural products, so that more staff can focus on and participate in helping, promote and help create a good atmosphere of consumption to help the targeted counties to help the sale of agricultural products, to take practical action to fulfill their social responsibility, showing the central enterprise’s commitment to help the countryside. Nanjing Environmental Protection will take practical actions to fulfill its social responsibility, demonstrate its role as a centralized enterprise, and help revitalize villages.

5. ENVIRONMENTAL AND SOCIAL PERFORMANCE

► 5.1 Environmental Performance Data

Indicators	Units	2023	2022	2021
Total revenue	RMB '000	5,720,131	5,322,722	5,288,416
Production volume of denitrification catalysts	m ³	25,381.79	25,561	26,406
Emissions of Air Pollutants				
Sulfur dioxide emissions from production	Tons	0.65	0.69	0.76
Nitrogen oxides emissions from production	Tons	3.94	4.14	2.34
Compliant sulfur dioxide emissions from concession operations	Tons	14,532.17	14,228.25	15,022.67
Compliant nitrogen oxides emissions from concession operations	Tons	22,189.67	20,672.64	22,394.10
Sulfur dioxide emissions reduction amount	Ten thousand tons	175.65	182.01	176.30
Nitrogen oxide emissions reduction amount	Ten thousand tons	21.70	21.08	20.44
GHG Emissions				
Total GHG emissions ¹	Tons CO ₂ e	1,844,796.63	1,863,541.10	1,851,816.71
Total GHG emissions intensity	Tons CO ₂ e /RMB '000	0.32	0.35	0.35
Scope 1: Direct emissions (excluding emission reductions due to planted trees) ²	Tons CO ₂ e	3,855.96	4,078.75	4,394.63

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

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

Indicators	Units	2023	2022	2021
Scope 1 Emission intensity	Tons CO ₂ e /RMB '000	6.74x10 ⁻⁴	7.66x10 ⁻⁴	8.31x10 ⁻⁴
Scope 2 Indirect emissions ³	Tons CO ₂ e	1,840,953.14	1,859,474.76	1,847,434.32
Scope 2 emission intensity	Tons CO ₂ e /RMB '000	0.32	0.35	0.35
Scope 1: GHG emission reductions due to planted tree ⁴	Tons CO ₂ e	12.47	12.42	12.24
Hazardous Waste⁵				
Recovered waste catalysts ⁶	Tons	6,051	3,999.83	2,854
Spent catalysts ⁷	Tons	3,802.45	1,506.1	1,444.65
Spent lubricating oil ⁸	Tons	0.39	1.82	2.78
Sludge from wastewater treatment ⁹	Tons	5,466.00	32,827.89	34,783.59
Dust containing hazardous waste ¹⁰	Tons	637	529.76	291.00
Desulfurization gypsum ¹¹	Tons	0.00	6,001,251.60	5,567,463.39
Intensity of total amount of spent catalysts generated	Tons/RMB '000	6.65 x 10 ⁻⁴	2.83 x 10 ⁻⁴	2.73 x 10 ⁻⁴

[3] The calculation scope of indirect GHG emissions (Scope 2) includes the indirect GHG emissions caused by the use of electricity by each subsidiary. The calculation methods and relevant emission factors are formulated with reference to *Notice on Doing a Good Job in 2023-2025 Reporting and Management of Greenhouse Gas Emissions of Power Generation Enterprises* issued by the Ministry of Ecology and Environment.

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

[5] In 2023, the statistical scope of this indicator was changed from production volume in previous years to processing volume.

[6] Since the recovered catalysts are used as raw materials in Nanjing Environmental Protection's production, they are not included in the calculation of the total amount and density of hazardous waste. Due to the increase in the production of regenerated catalysts, the data for this indicator in 2023 has increased compared to the previous year. In 2023, the statistical unit of this indicator has been adjusted from cubic meters to tons.

[7] In 2023, the statistical unit of this indicator has been adjusted from cubic meters to tons. In 2023, several project units reached the end of their denitrification catalyst lifespan and required replacement to ensure compliance with nitrogen oxide emissions standards. As a result, the volume of spent catalysts processed increased compared to the previous year.

[8] Due to the change in the statistical scope of this indicator from production volume in previous years to processing volume in 2023, and the impact of third-party transportation capacity and processing capabilities, the data for 2023 has decreased compared to the previous year.

[9] In 2023, the statistical scope of this indicator was changed from production volume in previous years to processing volume. Additionally, due to some companies storing sludge (which is not included in the statistical scope of hazardous waste treatment volume) and carrying out renovations on wastewater intake ports, the generation and processing volume of sludge decreased. As a result, the data for 2023 decreased compared to the previous year.

[10] In 2023, the statistical scope of this indicator changed from production volume in previous years to processing volume. Additionally, with an increase in the production of regenerated catalysts, the data for 2023 showed growth compared to the previous year.

[11] In 2023, 100% of the waste desulfurization gypsum was internally recycled in the factory, thus it is not included in the statistical scope of hazardous waste treatment volume.

Indicators	Units	2023	2022	2021
Total amount of hazardous waste generated excluding spent catalysts ¹²	Tons	6,103.39	6,034,611.08	5,602,540.76
Intensity of total hazardous waste generated excluding spent catalysts ¹³	Tons/RMB '000	0.0011	1.13	1.06
Non-hazardous Waste¹⁴				
Domestic waste	Tons	128	138.50	145.00
Paper	Tons	2.3	2.53	3.02
Other non-hazardous waste ¹⁵	Tons	82	1,120.00	2,666.00
Total amount of non-hazardous waste generated	Tons	212.3	1,261.03	2,814.02
Intensity of total amount of non-hazardous waste generated	Tons/RMB '000	3.71×10^{-5}	2.37×10^{-4}	5.32×10^{-4}
Wastewater Discharge¹⁶				
Amount of wastewater discharged	m ³	70,981	98,720.00	65,958.00
Of which, COD	Tons	0.724	—	—
Of which, ammonia nitrogen	Tons	0.009	—	—
Of which, total nitrogen	Tons	0.425	—	—
Of which, total phosphorus	Tons	0.013	—	—

[12] Due to the calculation unit of waste catalysts being cubic meters, which is difficult to convert into metric tons, the total amount of hazardous waste does not include the production volume of waste catalysts. Influenced by changes in the statistical scope of the indicator, reductions in the production volume of certain categories of waste, third-party waste treatment capacity, and comprehensive internal utilization, the total amount of hazardous waste excluding waste catalysts decreased in 2023 compared to the previous year.

[13] Due to the decrease in the total amount of hazardous waste excluding waste catalysts in 2023 compared to the previous year, the overall revenue change rate was lower. Consequently, the density of hazardous waste excluding waste catalysts in 2023 decreased compared to the previous year.

[14] In 2023, the statistical scope of this indicator was changed from production volume in previous years to processing volume. Therefore, the data for other non-hazardous waste, total non-hazardous waste, and the density of total non-hazardous waste decreased compared to the previous year.

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

[16] The scope of data includes Nanjing Environmental Protection.

Indicators	Units	2023	2022	2021
Use of Resources				
Water consumption	Ten thousand m ³	3,281.43	3,409.45	3,437.96
Intensity of water consumption	Ten thousand m ³ /RMB '000	5.74 x 10 ⁻⁴	6.41 x 10 ⁻⁴	6.50 x 10 ⁻⁴
Electricity consumption ¹⁷	kWh	3.23 x 10 ⁹	3.26 x 10 ⁹	3.18 x 10 ⁹
Intensity of electricity consumption ¹⁸	kWh/RMB '000	564.33	612.57	601.27
Natural gas consumption	Ten thousand m ³	160.93	171.32	186.28
Intensity of natural gas consumption	Ten thousand m ³ /RMB '000	2.81 x 10 ⁻⁵	3.21 x 10 ⁻⁵	3.52 x 10 ⁻⁵
Gasoline consumption	Tons	127.43	139.89	135.88
Intensity of gasoline consumption	Tons/ RMB '000	2.23 x 10 ⁻⁵	2.63 x 10 ⁻⁵	2.57 x 10 ⁻⁵
Diesel consumption	Tons	4.18	3.93	3.90
Intensity of diesel consumption	Tons/ RMB '000	7.31 x 10 ⁻⁷	7.39 x 10 ⁻⁷	7.37 x 10 ⁻⁷
Non-fossil energy consumption ¹⁹	kWh	3.67 x 10 ⁶	—	—
Proportion of non-fossil energy use ²⁰	%	0.11	—	—
Total energy consumption ²¹	kWh	3.25 x 10 ⁹	—	—
Intensity of energy consumption ²²	kWh/RMB'000	567.77	—	—

[17] Excluding non-fossil energy.

[18] Excluding non-fossil energy.

[19] The indicator is newly added for the year 2023, therefore historical data from previous years has not been disclosed.

[20] The indicator is newly added for the year 2023, therefore historical data from previous years has not been disclosed.

[21] The indicator is newly added for the year 2023, therefore historical data from previous years has not been disclosed. Excluding non-fossil energy.

[22] The indicator is newly added for the year 2023, therefore historical data from previous years has not been disclosed. Excluding non-fossil energy.

Types	Units	2023	2022	2021
Use of Packaging Materials				
Packaging film consumption	Tons	30.06	30.02	35.38
Packaging film used per cubic meter of denitrification catalysts manufactured	Tons/m ³	1.18 x 10 ⁻³	1.17 x 10 ⁻³	1.34 x 10 ⁻³
Module frame consumption	Pieces	12,721.00	12,317.00	12,861.00
Module frame used per cubic meter of denitrification catalysts manufactured	Piece/m ³	0.50	0.48	0.49

► 5.2 Social Performance Data

Total Workforce

Indicators		Units	2023	Percentage	
Number and percentage of employees	Total	Persons	985	100%	
	By gender	Male	Persons	717	72.79%
		Female	Persons	268	27.21%
	By employment type	Concession operation management personnel	Persons	324	32.89%
		Engineering and technical personnel	Persons	189	19.19%
		Sales personnel	Persons	69	7.01%
		Research and development personnel	Persons	317	32.18%
		Administrative and management personnel	Persons	53	5.38%
		Manufacture personnel	Persons	17	1.73%
		Others	Persons	16	1.62%
	By age group	Age below 30	Persons	134	13.61%
		Age 30-39	Persons	341	34.62%
		Age 40-49	Persons	279	28.32%
		Age 50 and above	Persons	231	23.45%
	By geographical region	China	Persons	985	100%

Employee turnover

Indicators		Units	2023	Percentage	
Number and rate of employee turnover	Total		Persons	55	5.29%
	By gender	Male	Persons	45	5.91%
		Female	Persons	10	3.60%
	By age group	Age below 30	Persons	9	5.06%
		Age 30-39	Persons	14	4.01%
		Age 40-49	Persons	8	2.85%
		Age 50 and above	Persons	24	10.34%
	By geographical region	China	Persons	55	5.29%

Development and Training

Indicators		Units	2023	Percentage	
Number and percentage of employees trained	Total		Persons	985	100%
	By gender	Male	Persons	717	100%
		Female	Persons	268	100%
	By employment category	Concession operation management personnel	Persons	324	100%
		Engineering and technical personnel	Persons	189	100%
		Sales personnel	Persons	69	100%
		Research and development personnel	Persons	317	100%
		Administrative and management personnel	Persons	53	100%
Manufacture personnel		Persons	17	100%	
	Others	Persons	16	100%	
Average training hours per employee	Average		Hours	106.68	/
	By gender	Male	Hours	105.07	/
		Female	Hours	110.96	/

Indicators		Units	2023	Percentage	
Average training hours per employee	By employment category	Concession operation management personnel	Hours	57.93	/
		Engineering and technical personnel	Hours	103.98	/
		Sales personnel	Hours	155.96	/
		Research and development personnel	Hours	113.12	/
		Administrative and management personnel	Hours	235.42	/
		Manufacture personnel	Hours	400.00	/
		Others	Hours	47.25	/

Occupational Health and Safety

Indicators	Units	2023	2022	2021
Number of work-related injuries and fatalities	Person	0	0	0
Rate of work-related injuries and fatalities	%	0	0	0
Lost days due to work-related injury	Day	0	0	0

Supply Chain Management

Indicators	Units	2023	Percentage of employees trained		
Number and percentage of suppliers	Total	Number	361	100%	
	By geographical region	Beijing	Number	57	15.79%
		Tianjin	Number	7	1.94%
		Shanghai	Number	23	6.37%
		Hebei Province	Number	24	6.65%

Indicators		Units	2023	Percentage of employees trained	
Number and percentage of suppliers	By geographical region	Shanxi Province	Number	7	1.94%
		Liaoning Province	Number	11	3.05%
		Jilin Province	Number	1	0.28%
		Jiangsu Province	Number	79	21.88%
		Zhejiang Province	Number	7	1.94%
		Anhui Province	Number	21	5.82%
		Fujian Province	Number	1	0.28%
		Jiangxi Province	Number	3	0.83%
		Shandong Province	Number	31	8.59%
		Henan Province	Number	37	10.25%
		Hubei Province	Number	7	1.94%
		Hunan Province	Number	5	1.39%
		Guangdong Province	Number	9	2.49%
		Sichuan Province	Number	2	0.55%
		Guizhou Province	Number	1	0.28%
		Shaanxi Province	Number	13	3.60%
		Gansu Province	Number	2	0.55%
		Inner Mongolia Autonomous Region	Number	3	0.83%
		Ningxia Hui Autonomous Region	Number	2	0.55%
		Xinjiang Uygur Autonomous Region	Number	6	1.66%
Hong Kong Special Administrative Region	Number	2	0.55%		

Product Responsibility

Indicators		Unit	2023
Total number of catalysts sold or shipped subject to recalls for safety and health reasons	Number of catalysts sold or shipped	m ³	25,381.79
	Number and percentage of catalysts recalled for safety and health reasons	%	0
Complaints received concerning products services	Number of complaints received	Cases	0

Anti-corruption

Indicators	Unit	2023
Number of concluded legal cases regarding corrupt practices brought against the Group or our employees	Cases	0
Number of board-oriented anti-corruption training sessions	times	1
Number of staff-oriented anti-corruption training sessions	times	1

Community Investment

Indicators	Unit	2023
Procurement of counterpart agricultural products from group companies	RMB	331,292



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

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

ESG Aspects	Law and Regulations	Compliance
ENVIRONMENT	<p><i>Environmental Protection Law of the People's Republic of China</i></p> <p><i>Law of the People's Republic of China on Environmental Impact Assessment</i></p> <p><i>Cleaner Production Promotion Law of the People's Republic of China</i></p> <p><i>Atmospheric Pollution Prevention and Control Law of the People's Republic of China</i></p> <p><i>Water Pollution Prevention and Control Law of the People's Republic of China</i></p> <p><i>Water and Soil Conservation Law of the People's Republic of China</i></p> <p><i>Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes</i></p> <p><i>Law of the People's Republic of China on Prevention and Control of Pollution from Environmental Noise</i></p> <p><i>Energy Conservation Law of the People's Republic of China</i></p> <p><i>Renewable Energy Law of the People's Republic of China</i></p> <p><i>Water Law of the People's Republic of China</i></p> <p><i>Environmental Protection Tax Law of the People's Republic of China</i></p> <p><i>Circular Economy Promotion Law of the People's Republic of China</i></p> <p><i>Environmental and Hygiene Standards for Construction Sites</i></p> <p><i>Integrated Emission Standard of Air Pollutants</i></p> <p><i>Emission Standard for Industrial Enterprises Noise at Boundary</i></p> <p><i>National Hazardous Waste List</i></p> <p><i>Regulations on the Safety Management of Hazardous Chemicals</i></p> <p><i>Identification Standards for Major Hazard Sources of Hazardous Chemicals</i></p>	<p>During the Reporting Period, the Group did not violate any laws and regulations that have a significant impact on the Group's operations in relation to waste gas and GHG emissions, discharges into water and land, generation of hazardous and nonhazardous waste, and noise pollution.</p>
Employment	<p><i>Labor Law of the People's Republic of China</i></p> <p><i>Labor Contract Law of the People's Republic of China</i></p> <p><i>Social Insurance Law of the People's Republic of China</i></p> <p><i>Law of the People's Republic of China on the Protection of Disabled Persons</i></p> <p><i>Special Provisions on the Labor Protection of Female Employees</i></p> <p><i>Contract Law of the People's Republic of China</i></p>	<p>During the Reporting Period, the Group did not violate any laws and regulations that have a significant impact on the Group's operations in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p>



ESG Aspects	Law and Regulations	Compliance
Labor practices	<p><i>Labor Law of the People's Republic of China</i> <i>Law of the People's Republic of China on the Protection of Minors</i> <i>Provisions on the Prohibition of Using Child labor</i></p>	<p>During the Reporting Period, the Group did not violate any laws and regulations that have a significant impact on the Group's operations in relation to preventing child and forced labor.</p>
Occupational Health and Safety	<p><i>Law of the People's Republic of China on the Prevention and Control of Occupational Diseases</i> <i>Law of the People's Republic of China on Work Safety</i> <i>Fire Protection Law of the People's Republic of China</i> <i>Emergency Response Law of the People's Republic of China</i> <i>Regulations on Work Safety of Construction Projects</i> <i>Regulations on Emergency Response to Production Safety Accidents</i> <i>National Emergency Plan for Environmental Emergencies</i></p>	<p>During the Reporting Period, the Group did not violate any laws and regulations that have a significant impact on the Group's operations in relation to providing a safe working environment and protecting employees from occupational hazards.</p>
Product Responsibility	<p><i>Product Quality Law of the People's Republic of China</i> <i>Patent Law of the People's Republic of China</i> <i>Trademark Law of the People's Republic of China</i> <i>Law of the People's Republic of China on the Protection of Consumer Rights and Interests</i> <i>Copyright Law of the People's Republic of China</i> <i>Tort Law of the People's Republic of China</i> <i>Civil Code of the People's Republic of China</i></p>	<p>During the Reporting Period, the Group did not violate any laws and regulations that have a significant impact on the Group's operations in relation to health and safety, labelling and privacy matters relating to products and services provided and methods of redress.</p>
Product Responsibility	<p><i>Law of the People's Republic of China on Tenders and Bids</i> <i>Regulations on the Implementation of the Law of the People's Republic of China on Tenders and Bids</i> <i>Contract Law of the People's Republic of China</i></p>	<p>During the Reporting Period, the Group did not violate any laws and regulations that have a significant impact on the Group's operations in relation to health and safety, labelling and privacy matters relating to products and services provided and methods of redress.</p>
Anti-Corruption	<p><i>Criminal Law of the People's Republic of China</i> <i>Company Law of the People's Republic of China</i> <i>Anti-Money Laundering Law of the People's Republic of China</i> <i>Anti-Unfair Competition Law of the People's Republic of China</i> <i>Code of Integrity and Self-discipline of the Communist Party of China</i> <i>Certain Regulations on the Integrity of Leading Personnel of State-owned Enterprises</i></p>	<p>During the Reporting Period, the Group did not violate any laws and regulations that have a significant impact on the Group's operations in relation to bribery, extortion, fraud and money laundering.</p>



APPENDIX II: INDEX OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A. ENVIRONMENTAL			
Subject Areas, Aspects, General Disclosures and KPIs			Section
Aspect A1: Emissions			
General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issues relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	3.1 Environmental Management
Key Performance Indicators	A1.1	Types of emissions and respective emissions data.	5.1 Environmental Performance Data
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	5.1 Environmental Performance Data
	A1.3	Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	5.1 Environmental Performance Data
	A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	5.1 Environmental Performance Data
	A1.5	Description of emission target (s) set and steps taken to achieve them.	3.3 Emissions Management
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target (s) set and steps taken to achieve them.	3.3 Emissions Management
Aspect A2: Use of Resources			
General Disclosure		Policies on the efficient use of resources, including energy, water and other raw materials.	3.1 Environmental Management



Key Performance Indicators	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in' 000s) and intensity (e.g. per unit of production volume, per facility).	5.1 Environmental Performance Data
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	5.1 Environmental Performance Data
	A2.3	Description of energy use efficiency target (s) set and steps taken to achieve them.	3.4 Circular Economy
	A2.4	Description of whether there is any issue insourcing water that is fit for purpose, water efficiency target (s) set and steps taken to achieve them.	3.4 Circular Economy
	A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	5.1 Environmental Performance Data
Aspect A3: The Environment and Natural Resources			
General Disclosure		Policies on minimising the issuer's significant impact on the environment and natural resources.	3.1 Environmental Management
Key Performance Indicators	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	3.1 Environmental Management 3.3 Emissions Management
Aspect A4: Climate Change			
General Disclosure		Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	3.2 Addressing Climate Change 3.4 Circular Economy
Key Performance Indicators	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	3.2 Addressing Climate Change 3.4 Circular Economy
B. SOCIAL			
Subject Areas, Aspects, General Disclosures and KPIs			Section
Aspect B1: Employment			
General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issues relating to compensation and dismissal, recruitment, and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare	4.1 Employment Management

Key Performance Indicators	B1.1	Total workforce by gender, employment type, age group and geographical region.	5.2 Social Performance Data
	B1.2	Employee turnover rate by gender, age group and geographical region	5.2 Social Performance Data
Aspect B2: Health and Safety			
General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issues related to providing a safe working environment and protecting employees from occupational hazards.	4.2 Safe Production 4.3 Occupational Health and Safety
Key Performance Indicators	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	5.2 Social Performance Data
	B2.2	Lost days due to work injury	5.2 Social Performance Data
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	4.2 Safe Production 4.3 Occupational Health and Safety
Aspect B3: Development and Training			
General Disclosure		Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	4.4 Employee Development and Well-being
Key Performance Indicators	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	5.2 Social Performance Data
	B3.2	The average training hours completed per employee by gender and employee category.	5.2 Social Performance Data
Aspect B4: Labor Standards			
General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issues relating to preventing child and forced labour	4.1 Employment Management



Key Performance Indicators	B4.1	Description of measures to review employment practices to avoid child and forced labour	4.1 Employment Management
	B4.2	Description of steps taken to eliminate such practices when discovered.	4.1 Employment Management
Aspect B5: Supply Chain Management			
General Disclosure		Policies on managing environmental and social risks of the supply chain.	1.6 Responsible Supply Chain
Key Performance Indicators	B5.1	Number of suppliers by geographical region.	5.2 Social Performance Data
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	1.6 Responsible 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.	1.6 Responsible 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	1.6 Responsible Supply Chain
Aspect B6: Product Responsibility			
General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issue relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	2.1 Quality Management 4.2 Safe Production
Key Performance Indicators	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	2.1 Quality Management
	B6.2	Number of products and service related complaints received and how they are dealt with.	2.2 Customer Service and Protection
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	2.3 Technological Innovation and Intellectual Property Protection
	B6.4	Description of quality assurance process and recall procedures	2.1 Quality Management



Key Performance Indicators	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	2.2 Customer Service and Protection
Aspect B7: Anti-corruption			
General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issues relating to bribery, extortion, fraud and money laundering.	1.5 Compliance and Integrity
Key Performance Indicators	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	5.2 Social Performance Data
	B7.2	Description of preventive measures and whistleblowing procedures, how they are implemented and monitored.	1.5 Compliance and Integrity
	B7.3	Description of anti-corruption training provided to directors and staff.	1.5 Compliance and Integrity 5.2 Social Performance Data
Aspect B8: Community Investment			
General Disclosure		Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	4.5 Community Contribution
Key Performance Indicators	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	4.5 Community Contribution
	B8.2	Resources contributed (e.g. money or time) to the focus area.	5.2 Social Performance Data

APPENDIX III: CONTENT INDEX OF REFERENCE INDICATOR SYSTEM FOR ESG SPECIAL REPORTS OF CENTRAL ENTERPRISES HOLDING LISTED COMPANIES

Disclosure Content	Chapter
Basic Information about the Company and the Report	ABOUT THIS REPORT WALKING INTO THE DATANG ENVIRONMENT
ESG Management	1.1 ESG Governance and Statement of the Board
ESG Risks and Opportunities	1.2 ESG Risk Management
Stakeholder Communication	1.3 Stakeholder Engagement
Assessment of Materiality Issues	1.4 Assessment of Materiality Issues

Environmental Indicators

Primary Indicators	Secondary Indicators	Tertiary Indicators	Chapter
E.1 Resource Consumption	E.1.1 Water Resources	E.1.1.1 Fresh water usage	5.1 Environmental Performance Data
		E.1.1.2 Recycled water usage	Not Applicable
		E.1.1.3 Percentage of recycled water usage	Not Applicable
		E.1.1.4 Intensity of water consumption	5.1 Environmental Performance Data
	E.1.2 Material	E.1.2.1 Consumption of non-renewable materials	5.1 Environmental Performance Data The main materials of the Group are packaging materials
		E.1.2.2 Consumption of toxic and hazardous materials	The Group's main materials are packaging materials, which do not contain hazardous materials
		E.1.2.3 Strength of material consumption	5.1 Environmental Performance Data The main materials of the Group are packaging materials



Primary Indicators	Secondary Indicators	Tertiary Indicators	Chapter
E.1 Resource Consumption	E.1.3 Renewable Energy	E.1.3.1 Fossil energy consumption	5.1 Environmental Performance Data
		E.1.3.2 Non-fossil energy consumption	5.1 Environmental Performance Data
		E.1.3.3 Total energy consumption	5.1 Environmental Performance Data
		E.1.3.4 Total energy consumption	5.1 Environmental Performance Data
		E.1.3.5 Intensity of energy consumption	5.1 Environmental Performance Data
	E.1.4 Packaging Materials	E.1.4.1 Packaging material usage	5.1 Environmental Performance Data
		E.1.4.2 Lightweight and Reduced Packaging Materials	3.4 Circular Economy
E.2 Pollution Prevention and Control	E.2.1 Wastewater	E.2.1.1 Wastewater discharge compliance	All met the compliance requirements
		E.2.1.2 Wastewater management and emission reduction measures	3.1 Environmental Management 3.3 Emissions management
		E.2.1.3 Wastewater discharge	5.1 Environmental Performance Data
		E.2.1.4 Emissions of wastewater pollutants	5.1 Environmental Performance Data
		E.2.1.5 Concentration of pollutants in wastewater discharge	3.3 Emissions Management
	E.2.2 Exhaust	E.2.2.1 Achievement of emission standards	All met the compliance requirements
		E.2.2.2 Emissions of exhaust pollutants	5.1 Environmental Performance Data
		E.2.2.3 Emission concentration of exhaust pollutants	3.3 Emissions Management
	E.2.3 Solid Waste	E.2.3.1 Compliance of solid waste disposal with laws and regulations	All met the compliance requirements
		E.2.3.2 General industrial solid waste management	3.1 Environmental Management 3.3 Emissions management



Primary Indicators	Secondary Indicators	Tertiary Indicators	Chapter
E.2 Pollution Prevention and Control	E.2.3 Solid Waste	E.2.3.3 Disposal of general industrial solid waste	5.1 Environmental Performance Data
		E.2.3.4 Hazardous waste management	3.1 Environmental Management 3.3 Emissions Management
		E.2.3.5 Hazardous waste disposal capacity	5.1 Environmental Performance Data
E.3 Climate Change	E.3.1 Greenhouse Gas Emissions	E.3.1.1 Greenhouse gas sources and types	5.1 Environmental Performance Data
		E.3.1.2 Greenhouse gas emission management	3.2 Responding to Climate Change
		E.3.1.3 Scope 1 emissions	5.1 Environmental Performance Data
		E.3.1.4 Scope 2 emissions	5.1 Environmental Performance Data
		E.3.1.5 Scope 3 emissions	The Group's greenhouse gas emissions statistics have not been included in Scope 3 for the time being, and we will change the statistical paradigm as appropriate in the future and continue to promote carbon emission reduction measures.
	E.3.2 Platoon Management	E.3.2.1 Greenhouse gas emission reduction management	3.2 Responding to Climate Change
		E.3.2.2 Greenhouse gas reduction	5.1 Environmental Performance Data
	E.3.3 Environmental Equity Transactions	E.3.3.1 Participation in the carbon emissions trading market	Not participating for the time being, and is in the process of developing the knowledge base for CCER trading.
		E.3.3.2 Participation in the energy, water and pollution rights trading markets	Not yet involved
		E.3.3.3 Participation in green power trading	Not yet involved, and is in the process of developing the knowledge base for green power and green certificate trading.
	E.3.4 Climate Risk Management	E.3.4.1 Climate risk management	3.2 Responding to Climate Change
E.4 Biodiversity	E.4.1 Impacts of Production, Services and Products on Biodiversity	E.4.1.1 Impacts of production, services and products on biodiversity	The Group's production and operations do not involve any significant impact on biodiversity, and the Group has actively formulated systems and measures related to the protection of the ecological environment.



Primary Indicators	Secondary Indicators	Tertiary Indicators	Chapter
E.5 Resource and Environmental Management System Measures	E.5.1 Low Carbon Development Target Setting and Strategic Measures	E.5.1.1 Low carbon development target setting and strategic measures	Development Objectives and Planning 3.2 Responding to Climate Change
	E.5.2 Resource Management Measures	E.5.2.1 Water use management	3.1 Environmental Management 3.4 Circular Economy
		E.5.2.2 Material use management	3.1 Environmental Management
		E.5.2.3 Energy use and conservation management	3.1 Environmental Management 3.4 Circular Economy
	E.5.3 Energy Saving and Carbon Reduction Statistics Monitoring, Assessment, Reward and Punishment System	E.5.3.1 Energy saving and carbon reduction monitoring, statistical reporting and assessment system	3.4 Circular Economy
	E.5.4 Green Actions and Measures	E.5.4.1 Cleaner production	3.3 Emissions management
		E.5.4.2 Green technology and recycling	3.4 Circular Economy
		E.5.4.3 Green building renovation	3.4 Circular Economy
		E.5.4.4 Green office and operations	3.4 Circular Economy
		E.5.4.5 Green purchasing and green supply chain management	1.6 Responsible Supply Chain
		E.5.4.6 Environmentally friendly activities	4.5 Community Contribution
	E.5.5 Green Low Carbon Certification	E.5.5.1 Environmental management system certification	3.1 Environmental Management
		E.5.5.2 Green and low carbon enterprise certification	Not Applicable
		E.5.5.3 Certification of green and low carbon products and services	Not Applicable
	E.5.6 Legal Compliance in the Environmental Field	E.5.6.1 Emergency response plan for environmental emergencies	3.1 Environmental Management
		E.5.6.2 Incidents of violation of laws and regulations in the environmental field	3.1 Environmental Management

Social Indicators

Primary Indicators	Secondary Indicators	Tertiary Indicators	Chapter
S1 Employee Benefits	S1.1 Staff recruitment and employment	S1.1.1 Company recruitment policy and enforcement	4.1 Employment Management
		S1.1.2 Employee structure	5.2 Social Performance Data
		S1.1.3 Avoiding child or forced labor	4.1 Employment Management
	S1.2 Employee compensation and benefits	S1.2.1 Compensation philosophy and policy	4.1 Employment Management
		S1.2.2 Working hours and rest and vacation	4.1 Employment Management
		S1.2.3 Pay and benefit security situation	4.1 Employment Management
		S1.2.4 Democratic management of staff	4.1 Employment Management
	S1.3 Employee health and safety	S1.3.1 Employee occupational health and safety management	4.3 Occupational Health and Safety
		S1.3.2 Employee safety risk prevention and control	4.2 Safe Production
		S1.3.3 Responding to safety incidents and workplace injuries	4.2 Safe Production
		S1.3.4 Employee care and support	4.4 Employee Development and Well-being
	S1.4 Staff development and training	S1.4.1 Staff motivation and promotion policy	4.1 Employment Management
		S1.4.2 Employee education and training	4.4 Employee Development and Well-being
		S1.4.3 Employee career planning and job change support	4.4 Employee Development and Well-being
	S1.5 Employee satisfaction	S1.5.1 Employee satisfaction survey	4.1 Employment Management
S1.5.2 Labor disputes		4.1 Employment Management	



Primary Indicators	Secondary Indicators	Tertiary Indicators	Chapter
S1 Employee Benefits	S1.5 Employee satisfaction	S1.5.3 Staff turnover	5.2 Social Performance Data
S2 Product and Service Management	S2.1 Product safety and quality	S2.1.1 Policies and measures for the management of production standards	4.2 Safe Production
		S2.1.2 Quality management	2.1 Quality Management
		S2.1.3 Product recalls and withdrawals	2.1 Quality Management
		S2.1.4 Negative product or service events	2.1 Quality Management
	S2.2 Customer service and benefits	S2.2.1 Customer satisfaction	2.2 Customer Service and Protection
		S2.2.2 Customer complaints and handling	2.2 Customer Service and Protection
		S2.2.3 Customer information and privacy protection	2.2 Customer Service and Protection
	S2.3 Innovation and development	S2.3.1 R&D and Innovation management system	2.3 Technological Innovation and Intellectual Property Protection
		S2.3.2 Research and Development (R&D)	2.3 Technological Innovation and Intellectual Property Protection
		S2.3.3 Achievement of innovation	2.3 Technological Innovation and Intellectual Property Protection
		S2.3.4 Intellectual property protection	2.3 Technological Innovation and Intellectual Property Protection
	S3 Supply Chain Security and Management	S3.1 Provider management	S3.1.1 Vendor selection and management
S3.1.2 Number and distribution of suppliers			5.2 Social Performance Data
S3.2 Supply chain management		S3.2.1 Supply chain management policies and measures	1.6 Responsible Supply Chain
		S3.2.2 Supply chain security and emergency preparedness	1.6 Responsible Supply Chain
		S3.2.3 Significant risks and impacts (Supply chain)	There were no significant supply chain risk events during the year

Primary Indicators	Secondary Indicators	Tertiary Indicators	Chapter
S4 Social Contribution	S4.1 Payment of taxes and charges	S4.1.1 Amount of tax paid/payment of tax	Please refer to 2023 Annual Report
	S4.2 Community building	S4.2.1 Policy measures for participation in local community building	4.5 Community Contribution
		S4.2.2 Contribution and impact on the local community	4.5 Community Contribution
	S4.3 Social welfare activities	S4.3.1 Policy measures on participation in social welfare activities	4.5 Community Contribution
		S4.3.2 Inputs and effectiveness of participation in social welfare activities	4.5 Community Contribution 5.2 Social Performance Data
		S4.3.3 Barrier-free environment	Not Applicable
	S4.4 National strategic response	S4.4.1 Industry transformation	2.3 Technological Innovation and Intellectual Property Protection
		S4.4.2 Village revitalization and Synergistic regional development	4.5 Community Contribution 5.2 Environmental Performance Data
		S4.4.3 Belt and Road and Overseas performance	Not Applicable
		S4.4.4 Industry characteristics and other social responsibilities	4.5 Community Contribution

Governance Indicators

Primary Indicators	Secondary Indicators	Tertiary Indicators	Chapter
G1 Governance Strategy and Organizational Structure	G1.1 Governance strategies and processes	G1.1.1 Governance strategy development	Development Objectives and Planning
		G1.1.2 Governance strategy oversight process	Please refer to 2023 Annual Report
		G1.1.3 Governance strategy approval and review process	Please refer to 2023 Annual Report
		G1.1.4 Party building	1.1 ESG Governance and Statement of the Board

Primary Indicators	Secondary Indicators	Tertiary Indicators	Chapter
G1 Governance Strategy and Organizational Structure	G1.2 Organizational structure and functions	G1.2.1 Ownership responsibilities	Please refer to 2023 Annual Report
		G1.2.2 Organizational structure and functions of Board of Directors, Supervisory Committee and Management	Please refer to 2023 Annual Report
		G1.2.3 Appointment procedures and composition of the Board of Directors, Supervisory Committee and Management	Please refer to 2023 Annual Report
	G1.3 Compensation management	G1.3.1 Compensation plan for Directors and Supervisors	Please refer to 2023 Annual Report
		G1.3.2 Transparency of Board Remuneration	Please refer to 2023 Annual Report
		G1.3.3 Management remuneration rationalization	Please refer to 2023 Annual Report
G2 Regulating Governance	G2.1 Internal controls	G2.1.1 Internal audit	1.2 ESG Risk Management
		G2.1.2 Internal control structure, mechanisms and processes	1.2 ESG Risk Management
	G2.2 Integrity building	G2.2.1 Integrity building system specifications	1.5 Compliance and Integrity
		G2.2.2 Effectiveness of integrity building initiatives	1.5 Compliance and Integrity
	G2.3 Fair competition	G2.3.1 Regulation of fair competition system	1.5 Compliance and Integrity
		G2.3.2 Effectiveness of fair competition measures	1.5 Compliance and Integrity
G3 Investor Relationship Management and Shareholders' Equity	G3.1 Investor relationship management	G3.1.1 Investor relationship management strategy	Please refer to 2023 Annual Report
		G3.1.2 Investor communication	Please refer to 2023 Annual Report
		G3.1.3 Investor Relations Management (IRM) sector development	Please refer to 2023 Annual Report
	G3.2 Shareholders' equity	G3.2.1 Shareholders' (general) meeting	Please refer to 2023 Annual Report
		G3.2.2 Shareholder communication	Please refer to 2023 Annual Report
		G3.2.3 Shareholders' right to be informed and to participate in decision-making	Please refer to 2023 Annual Report



Primary Indicators	Secondary Indicators	Tertiary Indicators	Chapter
G3 Investor Relationship Management and Shareholders' Equity	G3.3 Creditors' equity	G3.3.1 Creditworthiness	Please refer to 2023 Annual Report
		G3.3.2 Bond market performance	Please refer to 2023 Annual Report
G4 Transparency of Information Disclosure	G4.1 Information disclosure system	G4.1.1 Financial disclosure	Please refer to 2023 Annual Report
		G4.1.2 Disclosure of non-financial information	1.1 ESG Governance and Statement of the Board
	G4.2 Quality of information disclosure	G4.2.1 All disclosures are regularly monitored, audited and evaluated	Please refer to 2023 Annual Report
G5 Compliance and Risk Management	G5.1 Compliance	G5.1.1 Compliance system	1.5 Compliance and Integrity
		G5.1.2 Construction of compliance system	1.5 Compliance and Integrity
		G5.1.3 Compliance review process	1.5 ESG Risk Management
	G5.2 Risk management	G5.2.1 Risk identification and early warning	1.2 ESG Risk Management
		G5.2.2 Risk control and tracking	1.2 ESG Risk Management
		G5.2.3 Risk reporting and management	1.2 ESG Risk Management



大唐環境產業集團股份有限公司

Datang Environment Industry Group Co., Ltd.*