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2023

ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT

BEIJING JINGNENG CLEAN ENERGY CO., LIMITED






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PREFACE

Glossary

- ‘ESG’ Environmental, Social, and Governance
- ‘the Report’ the Environmental, Social, and Governance Report
- ‘Hong Kong Stock Exchange’ The Stock Exchange of Hong Kong Limited
- ‘the Year’ or ‘the Reporting Period’ or ‘2023’ the period from January 1, 2023, to December 31, 2023
- ‘China’ the People’s Republic of China
- ‘BEH’ Beijing Energy Holding Co., Ltd.
- ‘the Company’ or ‘Company’ Beijing Jingneng Clean Energy Co., Limited
- ‘Jingneng Clean Energy’ or ‘the Group’ or ‘we’ the Company and its subsidiaries
- ‘Beijing Branch’ Beijing Jingneng Clean Energy Co., Ltd. Beijing Branch
- ‘Inner Mongolia Branch’ Beijing Jingneng Clean Energy Co., Ltd. Inner Mongolia Branch
- ‘Northeast Branch’ Beijing Jingneng Clean Energy Co., Ltd. Northeast Branch
- ‘Northwest Branch’ Beijing Jingneng Clean Energy Co., Ltd. Northwest Branch
- ‘Southern China Branch’ Beijing Jingneng Clean Energy Co., Ltd. Southern China Branch
- ‘Southwest Branch’ Beijing Jingneng Clean Energy Co., Ltd. Southwest Branch
- ‘Shanxi Branch’ Beijing Jingneng Clean Energy Co., Ltd. Shanxi Branch
- ‘Xinjiang Branch’ Beijing Jingneng Clean Energy Co., Ltd. Xinjiang Branch
- ‘Australia Branch’ Beijing Jingneng Clean Energy Co., Ltd. Australia Branch
- ‘Jingfeng Gas’ Beijing Jingfeng Natural Gas-fired Power Co., Ltd.
- ‘Jingqiao Power’ Beijing Jingqiao Power Co., Ltd.
- ‘Jingxi Power’ Beijing Jingxi Gas-fired Power Co., Ltd.
- ‘Jingyang Power’ Beijing Taiyanggong Gas-fired Power Co., Ltd.
- ‘Shangzhuang Power’ Beijing Shangzhuang Gas-fired Power Co., Ltd.
- ‘Weilai Power’ Beijing Jingneng Weilai Gas-fired Power Co., Ltd.
- ‘Gaoantun Power’ Beijing Jingneng Gaoantun Gas-fired Power Co., Ltd.
- ‘Jingyi Power’ Yichang City Yiling District Zhongji Power Co., Ltd.
- ‘International Energy’ Beijing Jingneng International Power Technology Co., Ltd.
- ‘Comprehensive Energy’ Beijing Jingneng Comprehensive Energy Co., Ltd.





About the Report

Purpose of the Report

The Report is the "2023 Environmental, Social, and Governance Report" published by Beijing Jingneng Clean Energy Power Co., Limited. The purpose of the Report is to report on the principles, management systems, and relevant practices that Jingneng Clean Energy has adhered to in terms of environmental, social, and governance performance in 2023, as well as to respond to the significant issues of concern to key stakeholders.

Reporting Period

The Report is an annual report covering the period from January 1, 2023, to December 31, 2023.

Reporting Scope

The content of the Report covers the management systems, key performance indicators, goals, and key initiatives of the Group in environmental, social, and governance aspects. The key performance indicators disclosed in the Report cover the Group's main operational locations, including its headquarters and all subsidiaries.

Basis of Preparation

The Report is prepared in accordance with Appendix C2 "Environmental, Social and Governance Reporting Guide" (referred to as the "ESG Reporting Guide") of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (referred to as the "Listing Rules") and with references to the Task Force on Climate-related Financial Disclosures (TCFD) "Recommendations for Climate-related Financial Disclosure". The Report follows the four reporting principles of importance, quantifiability, balance, and consistency as outlined in the "ESG Reporting Guide", as well as the provisions of "mandatory disclosure" and "comply or explain".

- **Materiality:** The Group confirms the impact of ESG-related issues on internal and external stakeholders through an materiality assessment process, enabling itself to focus on responses and disclosures on issues that have a significant impact.
- **Quantitative:** The Group establishes a data collection mechanism for the quantifiable key performance indicators specified in the "ESG Reporting Guide" and discloses the calculated results of the numerical calculations in the Report, along with the calculation basis and statistical methodology.
- **Balance:** The content of the Report reflects objective facts and discloses both positive and negative indicators.
- **Consistency:** For the majority of indicators, the statistical disclosure methodology in the Report aligns with the consistent approach taken in previous years to ensure good comparability of historical data. There have been adjustments to the statistical disclosure methodology for certain indicators, the Report specifically indicated the changes made.

Information Explanation

All information disclosed in the Report is derived from internal documents of the Group. Unless otherwise stated, all amounts disclosed in the Report are denominated in RMB. There are no false representations, misleading statements, or material omissions in the Report.

Access and Contact Information

We sincerely look forward to hearing your valuable opinions and suggestions to enhance our ESG capabilities and performance. For detailed information on the Group's environmental, social, and corporate governance practices, please refer to our official website (<http://www.jncec.com/>) and annual reports. The Report can also be downloaded from the website of Hong Kong Stock Exchange (<https://www.hkexnews.hk/>). If you have any opinions or suggestions, please feel free to contact us via the Company's email address esg-jncec@jncec.com.

Message from the Management

In 2023, we embark on the year of fully implementing the spirit of the 20th National Congress of the Communist Party of China and the critical year for implementing the "14th Five-Year Plan". Jingneng Clean Energy adheres to the primary task of high-quality development, based on our main responsibilities and business, focuses on energy safety and supply assurance, solidly completes various work such as increasing benefits, promoting reform, and preventing risks, and strives to build an international first-class clean energy service provider who is "more intelligent, low-carbon, flexible, and resilient". In the Year, our wind power and photovoltaic sectors all saw profit growth, while we continued to excel in innovative and sustainable development, won multiple national-level technical awards and got significant attention for our ESG performance in the market and among the public. Also, we have been rated AA in the Wind rating system, which is the highest score among independent electricity generation and energy trader companies rated by Wind.

In terms of corporate governance, we continue to use the Board's Strategy Committee as the highest supervisory body for ESG work, using the enhancement of informatisation as a driving force to continuously

optimize governance systems and processes to achieve stability and build the cornerstone of our sustainable development. We always adhered to preventing and resolving major risks from the source and established a risk prevention and control system across all systems, levels, and formats. In 2023, a total of 6 affiliated enterprises were awarded the National Demonstration Enterprise for Safety Culture Construction. We are vigorously developing intelligent operation systems, committed to providing more reliable and efficient energy solutions, and achieving the successful integration of data from all gas power plants and branch companies into the smart regulatory center. Leveraging digital technology, the first domestic million-kilowatt-level onshore wind power project, the "Zhangjiakou-Beijing Renewable Energy Integrated Application Demonstration Project", received the Annual National Quality Engineering Gold Award, setting a benchmark for the industry.

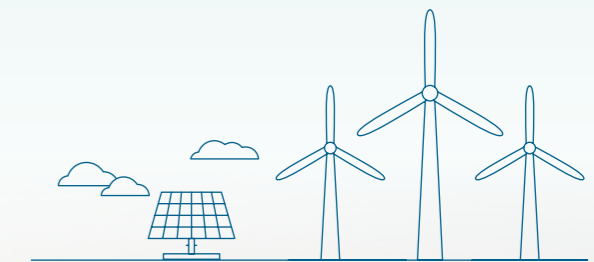
In terms of green development, we take the deployment of clean energy as our fundamental mission and are committed to exploring advanced energy technologies, contributing to the green and low-carbon transition of energy structure in China. In 2023, we have successively completed the signing of

the "Four Integration" Offshore Wind Power Equipment Manufacturing Industrial Park project, actively promoted the demonstration project of renewable energy green hydrogen substitution and driven the development of new energy main business with technological strength through the feasibility study of the first pumped storage project. At the same time, we further improve our corporate environmental management system, identify, and respond to the risks and opportunities brought about by climate change, do our best to minimize the pollution caused by operations to the environment, and deeply integrate our main business with sustainable development.

In terms of social responsibility, we adhere to the principle of "people-oriented," always focus on the occupational health and development paths of our employees and implement inclusive and diverse talent management throughout the entire life cycle. We also focus on building supply chain resilience and actively promote whole-chain responsibility management among suppliers. Additionally, we encourage employees to actively fulfill their social responsibilities, uniting with the community and society in times of difficulty, responding to the disasters immediately to demonstrate the responsibility and commitment of

Jingneng Clean Energy staff.

Looking into the future, Jingneng Clean Energy will continue to focus on its core business, build on a foundation of safe, stable and green energy supply, accelerate the deployment of clean energy as its own responsibility, lead the "dual carbon" action as a pioneer enterprise. At the same time, we will emphasize environmental management and protection, poverty alleviation, rural revitalization, construct an equal and loving platform for employee development, inject the commitment and strength of Jingneng Clean Energy employees into the society. With Jingneng clean energy flowing in our veins, we will compose the symphony of sustainable development.



About JINGNENG Clean Energy

Beijing Jingneng Clean Energy Power Co., Ltd. (hereinafter referred to as the "Company") was established in August 2010 and is a holding subsidiary of Beijing Energy Group Co., Ltd. (hereinafter referred to as "Jingneng Group"). The Company was listed on the main board of the Hong Kong Stock Exchange on December 22, 2011. The company's business is distributed in 26 provinces, municipalities and autonomous regions including Beijing, Inner Mongolia, Ningxia, Sichuan, Hunan, and Guangdong, covering wind power generation, photovoltaic power generation, gas power generation and heating, small and medium-sized hydropower, energy storage and other clean energy power generation businesses.

As of December 31, 2023, the Company's total installed power generation capacity was 14.482 million kilowatts, of which 9.78 million kilowatts were renewable energy capacity. The Company's installed wind power generation capacity is 5.566 million kilowatts, mainly located in Inner Mongolia, Shaanxi, Gansu, Ningbo, and Beijing-Tianjin-Hebei regions, which are rich in wind resources in China. The company has an installed photovoltaic power generation capacity of 3.818 million kilowatts, distributed in Northwest China, North China, and South China, which are rich in optical resources, and operates seven gas-fired cogeneration power plants in Beijing, with an installed capacity of 4.702 million kilowatts, accounting for more than 40% of Beijing's gas-fired power generation and more than 40% of Beijing's central heat supply. The Company also operates other clean energy businesses such as small and medium-sized hydropower, with an installed capacity of 396,000 kilowatts, mainly distributed in southwest China, where water resources are abundant.

The Company has always adhered to the economic benefit as the center and high-quality development as the goal, continuously optimized the industrial layout, efficiently implemented the wind and solar strategy, strictly followed the principle of "seeking progress while maintaining stability, and consolidating stability with progress", deeply practiced the major strategic decision of "carbon peaking and carbon neutrality", took green development as the first priority, scientific and technological innovation as the first driving force, and took the talent team as the first resource, promoted higher quality, higher efficiency and more sustainable development, and strived to create "smarter, more low-carbon, more flexible and more resilient" The world's first-class capital clean energy service provider.



Distribution of Projects

During the Reporting Period, the Group achieved profit growth in multiple business sectors such as wind power and photovoltaic and other business segments, with several production and operational indicators reaching historic highs. As of the end of the Reporting Period, the Group's operating income was RMB20.446 billion, realizing a profit of RMB4.144 billion, setting a new historical record. The total installed capacity amounted to 14.482 million kilowatts, with a total annual power generation of 38.89 billion kilowatt-hours. Among which, the total amount of renewable energy generation is 19.47 billion kilowatt hours; renewable energy reserves exceeding 25.60 million kilowatts; The total number of ongoing projects is 1.582 million kilowatts, including 1.432 million kilowatts of renewable energy projects under construction.

Business Type	Installed Capacity (MW)	Annual Power Generation (billion kWh)
Gas Power Generation and Heat	4,702	19.42
Wind Power Generation	5,566	12.60
Photovoltaic Power Generation	3,818	5.29
Hydropower Generation	396	1.58
Total	14,482	38.89



ANNUAL RECOGNITION: ENCOURAGED BY MULTIPLE RECOGNITIONS

Jingneng Clean Energy has always carried out daily operations with a solid and proactive attitude and positioned itself based on the nature of its business, continuously enhancing corporate governance effectiveness to build a solid foundation for high-quality development. For eight consecutive years, we have released the "Environmental, Social, and Governance Report," demonstrating ongoing efforts in the field of sustainable development to achieve long-term and steady growth. In the Year, the Company received multiple recognitions from regulatory agencies and capital markets for its outstanding ESG performance, attracting significant attention from the market and the public. In the core business areas, the Company has accelerated innovative development, maintained strategic focus, and won several national-level technology awards, further enhancing technical capabilities.

ESG Recognition

In the Year, the State-owned Assets Supervision and Administration Commission of the Beijing Municipal People's Government issued the "Environmental, Social, and Governance (ESG) Blue Book for State Owned Listed Companies in Beijing (2022)". Jingneng Clean Energy received the highest star rating among the 53 companies included in the "ESG Pioneer 30 Index of State-Owned Listed Companies in Beijing", being the only company rated at four and a half stars. The Company's initiatives in "promoting energy conservation and emissions reduction to support sustainable development" and "rural revitalization, fulfilling the responsibilities of state-owned enterprises" were selected as outstanding cases in the "Environment" and "Society" sections.



Photos of the award ceremony for the ESG Blue Book for State Owned Listed Companies in Beijing



Photos of the award ceremony for the ESG Blue Book for State Owned Listed Companies in Beijing

In the capital market, Jingneng Clean Energy has also been awarded an AA rating by Wind ESG Rating system, which is the highest rated among the 51 "Independent Power Generators and Energy Traders" evaluated and is also rated by Dow Jones and Morningstar ESG rating system.

Clean and Green Recognition

Jingneng Clean Energy's main business is in renewable energy generation and gas-fired thermal power. Based on our various management systems and incentive measures such as the Management Measures for Scientific and Technological Projects, the Management Measures for the Promotion and Application of High and New Technology, and the Incentive Mechanism for Scientific and Technological Progress, both business directions have been recognized with technical awards this Year. Among them, the "Zhangjiakou-Beijing Renewable Energy Comprehensive Application Demonstration Project" won the National Quality Engineering Gold Award, and Unit 2 of the Jingxi Power was awarded the title of "2022 National Benchmark Unit for Generator Set Reliability", ranking first among gas turbine benchmark units with a capacity of 150MW or above nationwide. As the mountains rise high, those who dare to climb will reach the summit. The technical research and professional recognition of Jingneng Clean Energy are developing simultaneously.



The project won the National Quality Engineering Gold Award

Recognition Focus: National Quality Engineering Gold Award



On December 9, 2023, the results of the National Quality Engineering Award were announced, and the "Zhangjiakou-Beijing Renewable Energy Comprehensive Application Demonstration Project" of Jingneng Clean Energy won the National Quality Engineering Gold Award, becoming the first domestic onshore wind power project with a capacity of one million kilowatts to receive this award.

As a supporting infrastructure project for the 2022 Beijing Winter Olympics Games, the "Zhangjiakou-Beijing Renewable Energy Comprehensive Application Demonstration Project", constructed by the Beijing Branch, has a total installed capacity of 1.15 million kilowatts, consisting of seven wind farms and four 220kV booster stations. The project started construction in July 2020 and was fully operational by December 2021, generating 3.064 billion kWh of green electricity annually, which can meet the annual electricity needs of 900,000 households, reduce carbon dioxide emissions by 3.05 million tonnes, and save approximately 1 million tonnes of standard coal. During the Beijing Winter Olympics and Paralympics, the project supplied 170 million kWh of green electricity, enabling the entire Yanqing competition area, including the Olympic Village and the Mountain Media Center, to achieve 100% renewable energy heating, contributing to the historic achievement of 100% green electricity supply for all venues during the 2022 Beijing Winter Olympics.

Currently, the project delivers green electricity to Beijing through the Zhangbei ultra-high-voltage transmission channel, providing the capital with comprehensive clean energy security and effectively supporting Beijing in achieving its "dual-carbon" goals.



Views of Zhangjiakou-Beijing Renewable Energy Integration and Application Demonstration Project



Trophy and medal of the National Quality Engineering Gold Award

Recognized Focus: National Benchmark Unit for Generator Set Reliability



2022 National Benchmark Unit for Generator Set Reliability

On January 7, 2023, Jingneng Clean Energy's Jingxi Power Unit 2 was honored with the title of "2022 National Benchmark Unit for Generator Set Reliability," with a comprehensive evaluation coefficient of 96.82, ranking first among gas turbine benchmark units with a capacity of 150MW and above nationwide.

The award was presented at the High-Quality Development Forum on Reliability in the Power Industry. The award-winning unit was the first in similar units domestically to implement the PMP low-nitrogen oxides (NOx) value-line burner + nickel-based RST premixed combustion burner modification, achieving "ultra-low emissions" of NOx below 10ppm across the full load range of the combustion engine. Simultaneously, on-site fault diagnosis based on 5G technology was implemented, achieving networked state awareness, intelligent fault diagnosis, professional knowledge sharing, and collaborative equipment management. This is an important node in Jingneng Clean Energy's "Smart Supervision" system, and the initial establishment of Jingneng Clean Energy's "Smart Supervision" system has been completed.

Recognized Spotlight: Third Prize of Science and Technology Progress Award of Power Construction in 2023



Third Prize of Science and Technology Progress Award in Electric Power Construction Identification and Certificate

In December 2023, the Company's "New Energy Centralized Control Center Construction Based on Big Data Deep Mining Technology" was awarded the Third Prize of the 2023 Power Construction Science and Technology Progress Award by the China Federation of Power Enterprises.

The project's intelligent management and control platform mainly contains seven module systems, including centralized monitoring, power prediction, intelligent early warning, intelligent alarm, production management, operation and maintenance management, and event management. It is targeted at solving the pain points of operation and management commonly faced by the energy industry, and applies cutting-edge innovative technologies to research and implement an intelligent monitoring platform, and explores a centralized intelligent operation and maintenance management mode through the support of the platform's capabilities, realizing the management mode of operation, equipment, security, materials, repair, inspection and maintenance, and the management of the new energy centralized control centre, and realizing the management of new energy centralized control centre from the aspects of operation, equipment, safety, material, repair, and inspection, It realizes all-round, whole-process control in operation, equipment, safety, material, inspection and maintenance, and significantly improves the company's operation and maintenance management efficiency and saves operation and maintenance costs.

FEATURE OF RESPONSIBILITY: DEEPLY CULTIVATE THE FIELD, SHOULDERING THE MISSION OF ENERGY

Ensuring the stable supply and safety of clean energy, as well as serving the green and low-carbon energy transformation, are the important missions that Jingneng Clean Energy has always undertaken. During the Year, we have continuously promoted the development of renewable energy and clean energy in depth. Multiple projects have successively achieved full capacity grid connection. Breakthroughs have been made in projects such as green hydrogen energy, offshore wind power, and pumped energy storage.



During the Reporting Period, the installed capacity of generation sectors of the Group increased by a total of 763 MW, with multiple production and operation indicators reaching historically high levels.

Project Progress:

Jingneng Clean Energy's Bayannur 200MW Wind Power Project successfully achieved full capacity grid connection, with an expected annual grid-connected electricity generation of 610 million kWh after the full capacity production of the project. The project also included the construction of a 60MW/120MWh energy storage system, which utilized liquid cooling technology to enhance the regional power supply capacity and improve grid peak shaving capabilities.



Bayannur City Urad Rear Banner Wind Power Project

Jingneng Clean Energy's Jianli 80MW Fishery-Photovoltaic Complementary Project located in Chengji Town, Jianli City, Jingzhou City, adopts a modular power generation and centralized grid connection scheme, with a designed annual utilization hour totaling 1,050 hours.



Substation of Jianli project

March 2023

The Jixianghuaya Photovoltaic 100 MW Project of Jingneng Clean Energy was officially put into operation. This project is part of the Sand Land Green Ecological Governance Project in Abag Banner and is guided by the principles of "ecological priority, green development". It is constructed according to the requirements of "high starting point planning, high standard construction, high quality production, and efficient operation". By implementing green ecological governance in the sandy land area, the project aims to create a solar photovoltaic composite ecological demonstration project integrating solar energy, storage, grass, and pastoral operations. The project is expected to have an average annual on-grid electricity generation of 170 million kWh, save approximately 53,000 tonnes of standard coal annually, reduce carbon dioxide emissions by 0.17 million tonnes, reduce sulfur dioxide emissions by 0.51 million tonnes, and reduce nitrogen oxide emissions by 0.23 million tonnes.



Photos of the Jixianghuaya Photovoltaic Project sand treatment

April 2023

The first wind turbine of the Daqing Jingneng Clean Energy Wind Power Parity Demonstration Grid Connection Project of Northeast Branch was successfully connected to the grid. The total installed capacity of the project is 50MW, with a total of 10 units of 4MW and 2 units of 5MW wind turbines installed. It is expected to generate an annual average of 139 million kWh, which can replace approximately 43,000 tonnes of standard coal and reduce carbon dioxide emissions by 138,000 tonnes.



Daqing JINGNENG Wind Power Demonstration Project of Grid-Connected Electricity at Parity



Daqing JINGNENG Wind Power Demonstration Project of Grid-Connected Electricity at Parity

October 2023

The 100 MW Expansion Project of Wengong Wula by Jingneng Clean Energy is located near Wengong Wula Sumu, Xianghuang Banner, Xilin Gol League, Inner Mongolia Autonomous Region. The total installed capacity of the project is 100 MW, with 19 goldwind wind turbines installed, including 18 units of 5.27 MW wind turbines and 1 unit of 5.14 MW wind turbine. The expected annual grid-connected electricity output is about 0.3 billion kilowatt hours.



December 2023

In the Year, we are also committed to exploring the application of advanced energy technologies. In February 2023, we signed a contract for the "Four Integration" Offshore Wind Power Equipment Manufacturing Industrial Park Project. In May, we signed a strategic cooperation agreement for the Renewable Energy Green Hydrogen Substitute Demonstration Project. In October, the feasibility study for the first pumped energy storage project of Jingneng Clean Energy's clean energy was approved.

Case Study: "Four Integration" Offshore Wind Power Equipment Manufacturing Industrial Park Project



Image of the "Four Integration" Offshore Wind Power Equipment Manufacturing Industrial Park Project

On February 2, 2023, as one of the initial members of the joint venture for the construction of the Shantou International Wind Power Innovation Port, Jingneng Clean Energy participated in the signing ceremony for the international wind power innovation port industrial project.

The "Four Integration" Offshore Wind Power Equipment Manufacturing Industrial Park Project was the highlight of the groundbreaking ceremony. This project, jointly invested and constructed by Jingneng Clean Energy and Goldwind Technology, along with several leading wind power enterprises, aims to tightly integrate various aspects such as complete wind turbines, key components of units, and

testing and certification, to collectively establish a collaborative production base for offshore wind power equipment that integrates research and development design, process integration, manufacturing integration, and testing and certification integration.

With an area of approximately 360,000 square meters and a total construction area of about 230,000 square meters, the completed project will become a "lighthouse factory" representing the industry's highest manufacturing standards. By creating a green, zero-carbon, digitalized, and intelligent energy operation high-end industrial park, it aims to form a high-end equipment industry cluster with global competitiveness.

Case Study: Jingneng Clean Energy Signs Green Hydrogen Substitution Demonstration Project



Image of the on-site signing ceremony for the strategic cooperation agreement

On May 25, 2023, the Northeast Branch of Jingneng Clean Energy signed a strategic cooperation agreement for the implementation of a renewable energy green hydrogen substitution demonstration project.

The green hydrogen to green ammonia production (synthetic urea) project planned to be implemented in this strategic initiative aligns well with Jingneng Clean Energy's hydrogen production project. In the future, it is expected to establish complementary and industry-linked wind and solar hydrogen and ammonia production, contributing to achieving energy efficiency, carbon reduction, and transformation upgrades.

The wind and solar hydrogen production project also plays a strategic role in ensuring national energy supply security and achieving carbon peaking and neutrality goals. As one of the first large-scale off-grid hydrogen production demonstration projects in the country, this project will have a significant leading role in driving the industry towards hydrogen substitution for coal, reducing carbon emissions, increasing efficiency, and promoting industrial transformation and upgrades.

Case Study: Jingneng Clean Energy's First Pumped Storage Project Makes New Progress



Technical Review Meeting of the Feasibility Study Report for the Project

The Huailai Guanting Pumped Storage Power Station in Hebei Province is Jingneng Clean Energy's first pumped storage project. It has a planned installed capacity of 1,400MW, a rated head of 429m, and is equipped with four units of 350MW single-shaft single-pole mixed-flow reversible pump-turbines and generator sets. Once completed, the project will be able to deliver 2.342 billion kWh of clean electricity to the Beijing power grid annually, saving 154,000 tonnes of standard coal consumption. It will undertake tasks such as peak shaving, valley filling, energy storage, frequency regulation, phase regulation, and emergency standby in the grid, enhancing the security and stability of grid operation. The project was included in the National Energy Administration's Medium and Long-Term Development

Plan for Pumped Storage (2021-2035) in August 2021. In February 2022, it was listed as a key implementation project in the Implementation Plan for Emergency Backup and Peak Regulation Power Capacity Construction of Beijing Power. In October 2023, the technical review meeting of the feasibility study report was held in Zhangjiakou City, Hebei Province, marking a new breakthrough for the project and laying a solid technical foundation for the subsequent project approval and implementation.

FEATURE OF RESPONSIBILITY: TAKING IMMEDIATE ACTION IN DISASTER RELIEF, INTERPRETING JINGNENG CLEAN ENERGY'S RESPONSIBILITY

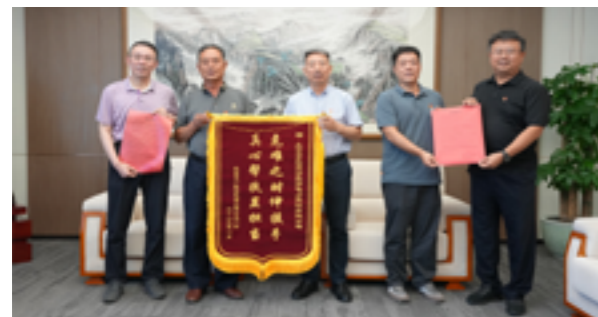
Jingneng Clean Energy actively fulfills its social responsibility and demonstrates the responsibility of a state-owned enterprise. We fully implement the responsibilities of serving rural areas and communities. In 2023, we responded quickly to the severe rainstorms in the Beijing-Tianjin-Hebei region and participated as one of the first teams to enter the affected villages for disaster relief. At the same time, we promptly organized employee volunteer services and actively participated in the "Neng Xiaoqing" youth emergency response team, interpreting the responsibility of Jingneng Clean Energy's youth through actions, and supporting disaster relief efforts.

Case Study: Jingneng Clean Energy's Rapid Response to the Severe Rainstorm in the Beijing-Tianjin-Hebei Region in 2023

At the end of July 2023, Beijing and the surrounding areas were hit by Typhoon "Dusu Ray," experiencing the most severe rainfall in 11 years. By August 1st, the total average rainfall in Mentougou District had reached an astonishing 471.1 millimeters, with the highest rainfall reaching as high as 723 millimeters, setting a historic record for meteorological data. This sudden heavy rainstorm posed a threat of flooding to several plains and foothill areas.

During this natural disaster, Jingneng Clean Energy responded rapidly, took actions for emergency disaster relief, and became one of the first rescue teams to enter the disaster area. They actively participated in the emergency disaster relief operations for the severe rainstorm in the Beijing-Tianjin-Hebei region in 2023, showcasing the Company's sense of social responsibility and providing substantial support to the affected residents.

In this disaster relief action, Jingneng Clean Energy provided assistance to Xiaolongmen Village in Mentougou District (the targeted assistance village of Jingneng Clean Energy). Due to the emergency and interrupted communication, the village was lost connection with outside. The Party Committee of Jingneng Clean Energy has always prioritized the safety and well-being of the villagers, inquiring multiple times, and requesting immediate contact with the resident officials. Finally, we successfully established contact with the first secretary of Xiaolongmen Village and knew that the village had experienced water and power outages and was lacking food and medicine on August 2nd, with the road that was broken by flood. Upon receiving this information, we promptly organized the collection of rescue supplies, departed from downtown Beijing, and arrived at the aid area after mountain road to deliver the disaster relief supplies, alleviating the urgent needs of the disaster area and its residents. We have replenished supplies many times to guarantee villagers' normal life.



Jingneng Clean Energy awarded the silk banner



Delivering drinking water to villagers

Case Study: "Neng Xiaoqing" youth emergency response team



Caoke, member of "Neng Xiao Qing" youth emergency response team

On August 23, 2023, in Dongzhuangzi Village, Hebei Town, Fangshan District, where floods had ravaged the area, many villagers were still facing the obstacle of thick mud in rebuilding their homes. When the "recruitment order" was issued, young employees of the Company from various departments enthusiastically signed up to participate in "Neng Xiao Qing" youth emergency response team through the Company's Youth League General Branch.

Our employees persisted in charging forward with the Party and shouldering responsibilities during the disaster relief process. Faced with the large amount of garbage, debris, and mud accumulated in the houses after the flood receded, the members of the emergency response team did not flinch even in the putrid air. They worked in shifts, and even during rest breaks, they discussed how to make the dredging work more efficient. Every team member wanted to contribute more and shovel more mud, shouldering the social responsibility and responsibilities of Jingneng Clean Energy employees.

Case Study: Jingxi Power Strikes Up the "Symphony" of Rural Revitalization

Jingxi Power of Jingneng Clean Energy insists on simultaneously promoting consumption, public welfare, and Party building to support rural revitalization. As of October 2023, they have provided support exceeding RMB 3.05 million, offering precise assistance to over 8,000 people in impoverished areas such as Hebei, Inner Mongolia, Xinjiang, and Hubei. They mobilized all Party members to donate money to purchase learning materials for students at a Mongolian school in Abag Banner, Xilin Gol League, Inner Mongolia. Additionally, they supported rural construction in Zhushan County, Hubei Province, and Ningcheng County, Inner Mongolia Autonomous Region, earning the Beijing Red Cross honorary certificate. They also established paired assistance with the Xiaolongmen Village Committee in Mentougou District, making counterpart support a regular part of Party building. The young employees were selected to participate in the "Neng Xiao Qing" post-disaster reconstruction work in Dongzhuangzi Village, Hebei Town, Fangshan District, which was severely affected by the 7.31 flood. Every detail reflects their original mission and showcases Jingxi Power's responsibility.



Students of the donated school



Jingxi Power Received Commendation Certificate



01

BUILDING A SOLID FOUNDATION FOR CORPORATE GOVERNANCE

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- ▶ 1.5 Information Technology Infrastructure
- ▶ 1.6 Supply Chain Responsibility Management

Jingneng Clean Energy is aware of the important role of ESG governance performance in achieving its high-quality development. In recent years, we have continuously improved our ESG governance level, using the ESG Working Group of the Board's Strategy Committee as an important lever to promote the full integration of ESG affairs into the Company's development strategies and daily business development. We have also advanced stakeholder surveys and the identification of key issues. Building on this foundation, the Company utilises information technology to continuously optimize existing governance processes, enhance business resilience, and ensure the effective and sustainable operation of the enterprise in the long run.

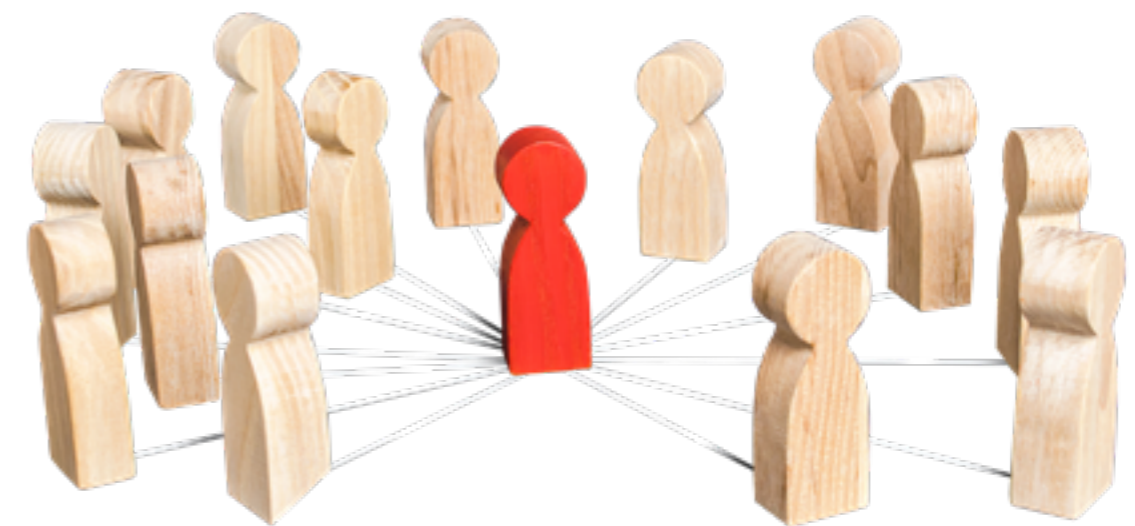
1.1 ESG Governance

The Board of Jingneng Clean Energy takes the lead in important company matters, including ESG business, and is responsible for relevant decision-making. The board has established audit committees, compensation and nomination committees, Strategy Committees, and legal and compliance management committees to oversee specific company affairs. The terms of reference for all board committees are clearly defined, outlining the committees' powers and responsibilities. The Board holds at least four regular meetings and conducts four regular surveys annually, while the audit committees, compensation and nomination committees, Strategy Committees, and legal and compliance management committees each hold at least one meeting to ensure effective implementation of company decisions and deployments.

To strengthen ESG governance, the Company has established a four-level ESG governance framework consisting of the "The Board - Strategy Committee - ESG Taskforce - ESG Taskforce of Subsidiaries". ESG responsibilities have been fully integrated into the responsibilities of various levels of the organization to ensure that ESG work is carried out in a standardized and orderly manner.

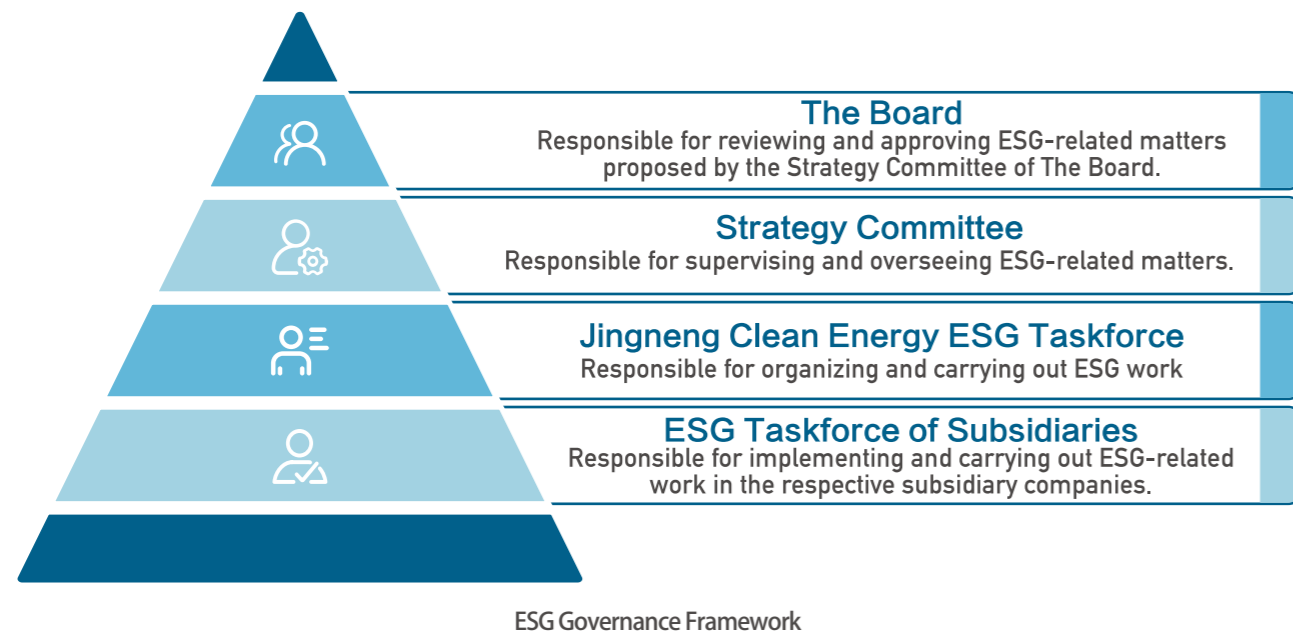
The Board is responsible for reviewing, approving, discussing, and reviewing Jingneng Clean Energy's management policies, objectives, and strategies related to ESG, prioritizing company ESG matters, assessing the nature and severity of significant ESG risks and proposing solutions for significant ESG risks, implementing ESG indicators, and advancing target progress.

The Strategy Committee consists of five directors, including one non-executive director and four executive directors. ESG responsibilities have been fully integrated into the responsibilities of the Strategy Committee.



The Strategy Committee has established the ESG Working Group, which is appointed by the chairperson to lead a senior management member of the Company. The group is composed of department heads responsible for ESG-related work, including those from the departments of safety production, human resources, company offices, legal compliance, financial management, strategic development, business planning, and securities and capital operations. The chairperson coordinates the deployment of the group's relevant management matters, and the members perform their respective duties to fully implement ESG-related work.

Each branch, wholly owned, and non-wholly owned subsidiaries of the Company have established ESG Working Group, which serve as executive bodies subordinate to the ESG Working Group, to uniformly implement and carry out the work requirements and deployments of the ESG Working Group.



In 2023, the Company held 11 Board of Directors meetings, and the Audit Committee, Compensation and Nomination Committee, Strategy Committee, and Legal and Compliance Management Committee each held 14 meetings. The Strategy Committee organized 4 ESG Working Group meetings. On August 29, 2023, Jingneng Clean Energy organized a Strategy Committee meeting to discuss the Company's ESG performance in 2022, findings, and work plan for 2023. The meeting invited a third-party professional organization to provide training on the latest national sustainable development and dual-carbon development policies, regulatory requirements, capital markets, and rating agency demands to enhance the professional capabilities of the Strategy Committee, ESG Working Group, and ESG Working Groups of subsidiary companies and improve performance.



1.2 Stakeholder Communication

Jingneng Clean Energy is committed to establishing diverse communication channels with various stakeholders, paying attention to their demands and suggestions, and continuously improving the Company's sustainability-related work and information disclosure to better meet the concerns and expectations of stakeholders. During the Year, we conducted electronic questionnaire surveys to communicate with 8 major stakeholder groups, collecting a total of 339 questionnaires from shareholders and investors, directors and management, government and regulatory agencies, customers, partners, non-governmental organizations, employees, communities, and the public. The main issues of concern have been updated accordingly.

339
questionnaires
The focused topic has been updated

Stakeholder	Focus Areas	Communication Mechanisms
Shareholders and Investors	Operational Compliance Green Energy Development and Utilization Anti-Corruption Employment Compliance	Shareholders' Meeting On-site Inspection Announcements and Official Website Disclosure
Directors and the Management	Stable Energy Supply Anti-corruption Innovation and Research & Development Energy Use	Board of Directors Meeting ESG Committee Meeting Professional Committee Meeting
Government and Regulators	Employment Compliance Occupational Health and Safety Employee Rights and Benefits	Exchange Seminars Work Reports Negotiating Cooperation
Clients	Stable Energy Supply Anti-corruption Operational Compliance and Risk Management	Customer Communication Meetings Follow-up Surveys
Business partners	Stable Energy Supply Product and Service Quality Anti-corruption Operational Compliance and Risk Management	Work Meetings Business Communication On-site Inspections
Non-Governmental Organizations (NGOs)	Prevention and Handling of Environmental Incidents Energy Use Water Resource Use Clean Energy Development and Utilization	Industry Exchange Conferences Roadshow Summits
Employees	Employee Rights and Protection Occupational Health and Safety Employee Training and Development Stable Energy Supply	Union and Team-building Activities Daily Communication Emails and Notices
Community and the Public	Clean Energy Development and Utilization Occupational Health and Safety Innovation and Research and Development	Official Website Information Disclosure Industry Exchange Conferences Public Welfare Activities

1.3 Identification of Key Material Issues

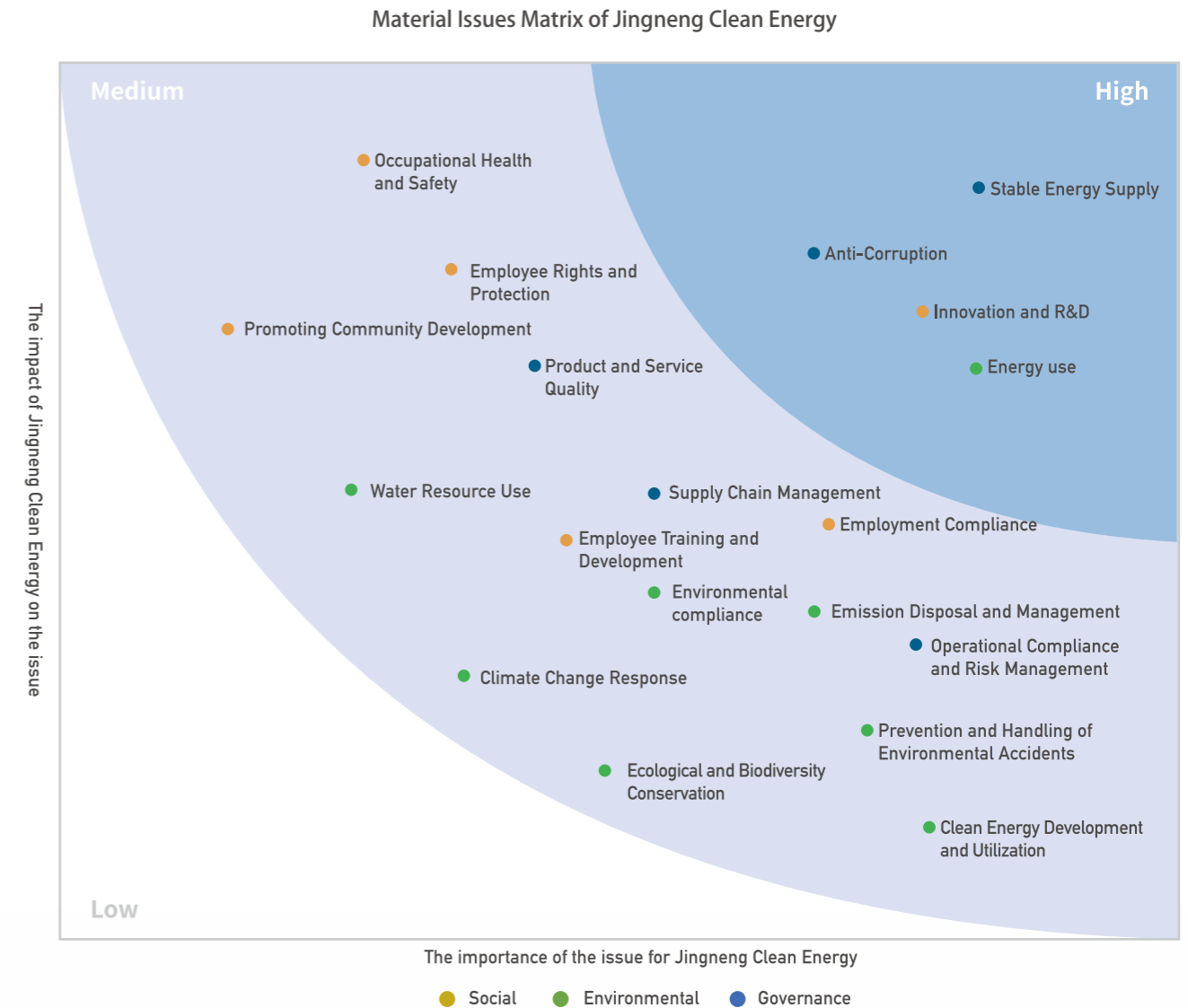
During the Year, taking into consideration the main business of Jingneng Clean Energy, the nature of resource use and main categories of emissions, as well as global sustainable development trends, we updated our materiality matrix, ultimately identifying 8 environmental issues, 8 social issues, and 3 governance issues.



List of Key Material Issues

Environmental (8)	Social (8)	Governance (3)
Environmental Compliance	Employment Compliance	Stable Energy Supply
Prevention and Handling of Environmental Accidents	Employee Rights and Protection	Anti-Corruption
Energy Use	Employee Training and Development	Operational Compliance and Risk Management
Water Resource Use	Occupational Health and Safety	
Clean Energy Development and Utilization	Innovation and Research and Development (R&D)	
Emission Disposal and Management	Supply Chain Management	
Climate Change Response	Promoting Community Development	
Ecological and Biodiversity Conservation	Product and Service Quality	

Through an electronic questionnaire survey, we identified a total of 4 highly material issues and 15 moderately material issues. Responses to the identified highly material issues and moderately material issues have been provided in the relevant chapters of the Report. The comprehensive matrix of material issues is shown in the diagram below:



1.4 Compliance Operations



Compliance System and Risk Management

The Group adheres to the strict implementation of the strategy of running the enterprise according to law and views compliance management as a strong pillar to safeguard production and operation. We strictly abide by relevant laws and regulations such as the Company Law of the People's Republic of China, continuously strengthening our own compliance management system. In terms of our internal system construction, we have formulated regulations such as the Shareholders' Meeting Rules, the Board Meeting Rules, and the Supervisory Board Meeting Rules, and established key compliance guidelines in areas such as the Internal Control Management Measures and the Compliance Management Measures. Through the refinement of the internal control system and the establishment of an all-staff compliance responsibility system, we have clearly defined the key elements of compliance management in key areas, key processes, and key personnel, establishing three lines of defense in internal control, compliance, and risk control that involve cross-functional collaboration among relevant departments to ensure the functional division and operation compliance of each institution. We strive for the effective integration of compliance management with other management systems, mutually promoting each other, enabling management efficiency to be fully utilized and maximized, providing strong impetus for the long-term positive development of Jingneng Clean Energy.



Three Lines of Defense for Risk Management

Following the Central Enterprise Comprehensive Risk Management Guidelines, the Enterprise Internal Control Basic Norms, and the Group's Comprehensive Risk Management Measures, Jingneng Clean Energy has established a comprehensive risk management system. Annually, the Group combines internal and external environmental changes and conducts a comprehensive assessment of risks through diverse investigation methods. Starting from the likelihood and impact of risk occurrence, it identifies and analyzes risks that may be involved in various business departments and the Company headquarters, prioritizing, and managing them based on the analysis results. In 2023, the Group identified and confirmed two significant risks at the headquarters level, involving policy regulations and the macro environment. For these risks, targeted risk response strategies have been formulated to enhance our risk resilience.

At the same time, to promote high-quality development of the enterprise, we are gradually planning to integrate legal, compliance, internal control risks, and standardization into a comprehensive "Four Integration" system with a complete structure.

Party Building and Disciplinary Committee Supervision

In the governance practice of Jingneng Clean Energy, party building and disciplinary committee supervision also play a crucial role in leading and implementing the Company's responsibilities and commitments in governance. The Company has established a sound party organization, incorporating party building work as an important part of the organizational structure. Through party building work, Jingneng Clean Energy is committed to strengthening the construction of party members, enhancing the political quality and business capabilities of party members, and organically integrating party building work with the Company's business development. Party building work not only guides all employees ideologically but also promotes the smooth progress of various tasks within the Company organizationally. Additionally, the Company places great emphasis on the supervision work of the disciplinary committee. The disciplinary committee supervises the comprehensive implementation of the party's line, principles, policies, national laws, and regulations, ensuring the Company's work is carried out with integrity and efficiency. The disciplinary committee strengthens the supervision and implementation of various internal systems within the Company, promoting the normalization and transparency of corporate governance.

Jingneng Clean Energy insists on integrating party building and disciplinary committee supervision work with the Company's business development strategy, continuously improving the Company's governance mechanisms, and enhancing the Company's management standards and service quality. The effective implementation of these efforts provides a solid guarantee for the Company's sustainable development and sets a good example for fulfilling social responsibilities.

Business Ethics

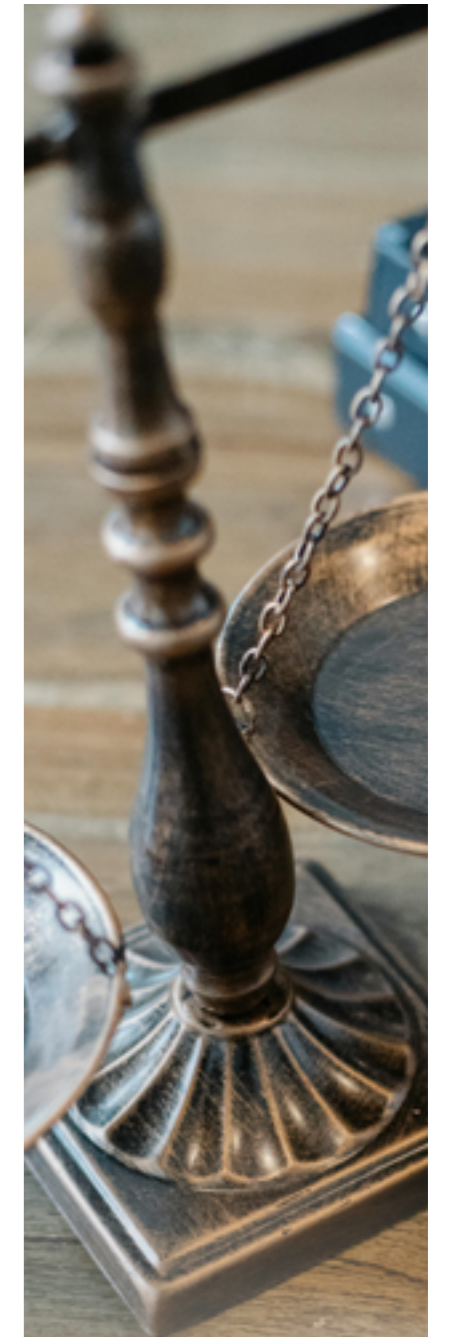
Jingneng Clean Energy regards anti-corruption efforts as an important component of corporate governance, strictly adhering to relevant national laws and regulations on preventing bribery, extortion, fraud, and money laundering. The Company combines compliance with laws and regulations with the supervision of the disciplinary committee to establish a comprehensive anti-corruption mechanism, ensuring the Company's clean operation and compliant management.

Within the framework of compliance and legality, the Company has established strict anti-corruption systems and regulations, clearly defining the code of conduct for employees and management, and standardizing various activities within the Company. At the same time, through ideological education and Party conduct education, party building work guides all employees to consciously resist corrupt behavior and instill a sense of integrity in their work.

The supervision work of the disciplinary committee is responsible for overseeing the implementation of various internal systems within the Company, enhancing oversight and management of employees, promptly identifying, and addressing violations, and ensuring the Company's standardized operation. The disciplinary committee also handles reports from employees and external sources, ensuring smooth reporting channels, and conducting serious and thorough investigations into reported incidents.

Jingneng Clean Energy maintains a zero-tolerance stance towards any form of corrupt behavior, actively providing various types of Party conduct and integrity training for Company's directors and employees. Through measures such as compliance with laws and regulations, party building, and disciplinary committee supervision, the Company strives to create a clean and positive corporate environment, providing a solid guarantee for the sustainable development of the Company.

In the Year, the number of corruption litigation cases filed against us or our employees and concluded is 0.



Case Study: 2,500 Kilometers Cloud-based "Red" Theme Education



Cloud-based "Red" Theme Education Activity Site

On June 20, 2023, the first Party branch of Weilai Power under Jingneng Clean Energy and the management Party branch of Yuhai Electricity under Jingneng Group jointly launched a cloud-based collaborative learning activity. The party members of the two branches first watched the "60-second Warning Bell" cautionary education video and typical cases of the "Four Winds", enhancing their vigilance and self-discipline.

Chen Kan, the Secretary of the first Party branch of Weilai Power, emphasized the importance of building a strong sense of red lines among all party members. He reminded everyone to conduct integrity education before the Dragon Boat Festival, maintain integrity during the festival, and highlighted the importance of learning General Secretary Xi Jinping's discourse on the "two integrations." Through a presentation, the political theoretical

literacy of the attending party members was enhanced.

During the thematic education research forum, the party members of the two branches engaged in in-depth and extensive exchanges on party building, disciplinary inspection, propaganda, organizational personnel, and the management of public expenditure. Through this activity, party members learned from each other, leveraged strengths, and complemented shortcomings, effectively promoting the high-standard and high-quality development of operational work.

Case Study: The Company Conducts Annual Discipline Secretary Job Description Meeting and Discipline Inspection Cadres Rectification Education Seminar



Site of education seminar

On June 6, 2023, Jingneng Clean Energy's discipline inspection commission held the annual Discipline Secretary Job Description Meeting and Discipline Inspection Cadres Rectification Education Seminar in Beijing.

The meeting delved into the spirit of the 19th National Congress of the Communist Party of China and the Second Plenary Session of the 20th Central Commission for Discipline Inspection, implementing the deployment arrangements of the Group's Party Committee, Discipline Inspection Commission, and the Company's Party Committee for comprehensively enforcing strict Party governance and rectification work. The meeting focused on clarifying responsibilities and promoting positive trends through learning, further strengthening the construction of a high-quality discipline inspection cadre team, and continuing to promote the high-quality development of the Company's

discipline inspection work. The meeting focused on clarifying responsibilities and promoting positive trends through learning, further strengthening the construction of a high-quality discipline inspection cadre team and continuing to promote the high-quality development of the Company's discipline inspection work.

Case Study: Company Holds Party Committee Theory Learning Center Group Study (expanding) Meeting, Invites Experts for Related Legal Compliance Training



法律合规培训

To promote Jingneng Clean Energy's comprehensive compliance management in the new situation and achieve the Company's high-quality development, the Company's Party Committee held a Party Committee Theory Learning Center Group Study (expanded) meeting on the morning of November 22, 2023. The meeting was chaired by the Secretary of the Company's Party Committee and Chairman Zhang Fengyang, and experts were invited to conduct related legal compliance training.

The meeting focused on the current development status of the domestic distributed photovoltaic market, combined with relevant national laws and regulations, industry policies, and practical cases, to analyze the key points of compliance for rooftop distributed photovoltaic projects. Experts elaborated on key areas such as disputes arising from the determination of EMC contract nature, disputes involving claims for unpaid electricity fees by photovoltaic owners, disputes caused by house demolition and removal for photovoltaic projects, disputes resulting from changes in rooftop owners for photovoltaic projects, disputes arising from roof leaks, damages, etc. They provided corresponding solutions, laying a solid foundation for the Company to expand its business legally and in compliance in the future, and strengthening its operational capabilities in legal compliance.

1.5 Information Technology Construction

Digital Transformation

Digital transformation and smart operation of Jingneng Clean Energy are one of the Company's important strategic directions for development. The Company has identified innovation leadership as the guiding ideology for the Company's "14th Five-Year Plan" and has incorporated increased research investment as one of the Company's development goals for the "14th Five-Year Plan." Through the application of digital technology, Jingneng Clean Energy has improved production and construction efficiency, reduced costs, and provided effective support for high-quality operation and maintenance.

We take digital transformation as the fulcrum to leverage the overall progress of scientific and technological innovation. In terms of digital transformation, the Company has adopted advanced information technology and data analysis methods to optimize energy production and supply chain management. Through real-time monitoring and data analysis, the Company can better predict energy demand, optimize the operation status of power generation equipment, and improve energy utilization efficiency. In addition, digital transformation has also enhanced interaction and communication between Jingneng Clean Energy and its customers, as well as improved customer experience and satisfaction. In 2023, the Company had an investment of 720 million yuan. Its 11 enterprises have obtained high-tech enterprise certification, including 1 provincial and ministerial science and technology progress award, and 119 science and technology awards and patent authorization. The total of the approval science and technology projects are 48.

In terms of smart operation, Jingneng Clean Energy utilizes advanced Internet of Things technology and intelligent control systems to achieve real-time monitoring and management of energy production and transportation processes. The intelligent operation system can automatically identify and handle abnormal situations, improving the stability and reliability of production operations. At the same time, smart operation also provides the Company with more precise data analysis and decision support, helping the Company better address market changes and risk challenges.

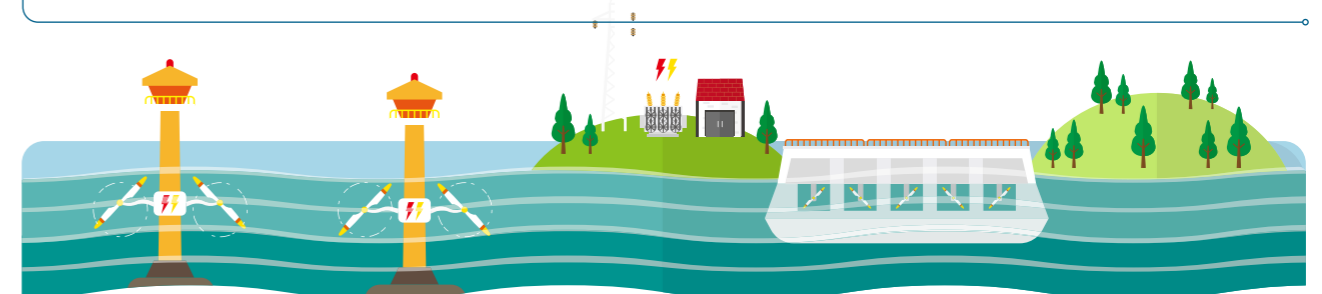
Overall, the digital transformation and smart operation of Jingneng Clean Energy have not only enhanced the Company's long-term competitiveness and profitability but also provided more reliable and efficient energy solutions for sustainable development.



Case Study: Jingneng Clean Energy's Smart Supervision Center Helps Elevate Digitalization to a New Level

By the end of 2023, Jingneng Clean Energy's Smart Supervision Center had successfully achieved data access for 6 branch companies and 7 gas power plants and completed video signal and administrative telephone access for 19 centralized control/gas power plants. The center combines various functions such as production management, automatic reporting, smart alarms, wind and solar fault early warning, automatic statistics of circuit breaker trips, fault early warning diagnosis, indicator platform, drag-and-drop platform, mobile app, communication monitoring, and key data governance.

The Company's related projects were recognized as "internationally advanced" by the China Electricity Council (CEC), and successfully passed the third-level security assessment and completed the filing. Based on a three-level structure of "Smart Supervision Center-Central Control Center-Site," each central control center has successfully transitioned to a working status of "unmanned and minimally manned." The original site management mode has been adjusted to a work mode of "centralized monitoring and regional maintenance," improving the efficiency of management.





Case Study: Zhangjiakou-Beijing Renewable Energy Integrated Application Demonstration Project Achieves Gigawatt-Level Wind Power Supply Based on Cloud Technology



Zhangjiakou-Beijing Renewable Energy Integrated Application Demonstration Project

The first gigawatt-level onshore wind power project of Jingneng Clean Energy in China, the "Zhangjiakou-Beijing Renewable Energy Integrated Application Demonstration Project," was awarded the National Excellent Engineering Gold Award for 2022-2023, setting a benchmark for the industry. It is the first land-based wind power project which has been awarded in China. The project is of a massive scale, including 7 wind farms, 4 booster stations, and 1 centralized control center, involving over 1,900 tower foundations, approximately 2,500 large transports, and a construction area of over 2,500 square kilometers.

Faced with such a huge volume of work, the project successfully progressed in an orderly manner within a short period, with digital technology playing an indispensable role. From planning, surveying, design, construction to operation, digital technology was actively developed and applied in every aspect of the project. By constructing a comprehensive digital management platform and adopting BIM technology routes, based on the concept of cloud-based co-construction, co-sharing, and co-sharing, the project achieved efficient collaboration, precise control, digitalization, visualization, and systematic delivery for all participating units.



Case Study: Advancing Pilot Operation Centers to Promote Integration of Digitalization and Energy Revolution



Northwest Branch Yinchuan Operation Control Center

Guided by the "Three Jingneng" concept, the Northwest Branch of Jingneng Clean Energy began to plan the construction of the Yinchuan centralised control operation centre project in July 2020, and completed the commissioning on December 24, 2021 and entered the simulation trial operation.

Based on this, the Northwest Branch of Jingneng Clean Energy actively promoted the construction of two operation control centers in Yinchuan and Xining in 2023, reducing enterprise production and operation costs, integrating human resources, and optimizing economic operations.

These two operation control centers are the largest

control centers for renewable energy installations in Jingneng Clean Energy, establishing a new intelligent operation and maintenance pattern with separated operation and inspection and unified regional maintenance management. This has laid a solid foundation for the Company to achieve high-quality digital transformation development. Against the backdrop of "dual carbon," this is also a typical case of deep integration of digital and energy revolutions.

Currently, the center is mainly responsible for managing 20 stations under the jurisdiction of the Northwest Branch in Ningxia, with a total installed capacity of 1,848.6MW.

Information Security Protection



Jingneng Clean Energy regards customer information security as an important aspect that affects corporate reputation and responsibility on its digital transformation journey. We insist on prioritizing the protection of customer data to ensure their privacy and security. In the process of digital transformation, we employ advanced security technologies and strict data management measures to protect customer information from any threats and breaches. This is not only a sign of respect for customer trust but also a demonstration of corporate social responsibility. At the same time, our digital transformation is dedicated to improving energy production efficiency, optimizing supply chain management, and providing customers with smarter and more convenient services. Throughout this process, we always put customer interests at the core, actively respond to market changes, and make positive contributions to sustainable development. In the rapidly changing and rapidly developing new era, Jingneng Clean Energy is committed to finding a better balance between digital transformation and customer information security to create a better future.

To provide a higher level of customer information security assurance, Jingneng Clean Energy continues to improve its information security management strategy. We strictly comply with relevant laws and regulations, including the Cybersecurity Law of the People's Republic of China and the Regulations on the Protection of Computer Information Systems of the People's Republic of China. Additionally, based on corresponding normative guidance documents, we have internally formulated the Confidentiality Management Measures and the Network and Information Security Management Measures to ensure that the Company's information security work is effectively carried out within the framework of laws, regulations, management norms, and measures, ensuring the Company's compliant and steady operation. Particularly, internal regulations within the Company clearly stipulate requirements for data management, password management, and other aspects. All employees are prohibited from disclosing any data to third parties without approval, and position personnel dealing with internal confidential information and intellectual property must sign confidentiality agreements. We also regularly supervise and inspect operations involving privacy protection processes to ensure that these standards are effectively implemented. Furthermore, to comprehensively enhance the Company's information security protection capabilities, we have actively initiated employee confidentiality awareness training this year to ensure that all employees strictly adhere to the Company's confidentiality management measures and corresponding work procedures, preventing information risks from the employee side.



1.6 Supply Chain Responsibility Management



End-to-End Management

Jingneng Clean Energy continues to advance end-to-end management of the supply chain. We follow the three-step process of "Admission management - Audit assessment - Exit mechanism" and control the legal and compliance risks of suppliers in accordance with a series of management measures, such as the Contractor Safety Supervision and Management Measures, the Bidding Management Measures, the Supplier Management Measures, and the Contract Management Measures. We fully implement the spirit of "Sunshine Procurement", accelerate the digitization, standardization, centralization, and regularization of procurement business, continuously reduce costs, and increase efficiency, and support the high-quality and efficient development of the Company.

To ensure the labor compliance of suppliers, we conduct regular checks each year to see if there are any instances of migrant worker wage arrears within affiliated enterprises. During the bidding process, we require suppliers to provide audit reports and related supporting materials on legal risks to extend labor compliance initiatives from Jingneng Clean Energy to the upstream and downstream of the supply chain.

Admission Management

- Implement decentralized access through a method combining registration and qualification certification on the e-commerce platform
- Suppliers can gain access through self-recommendation, internal recommendation, or active invitation. They must pass a qualification review before being granted access according to the centralized procurement access, tender access, and decentralized procurement access processes.

Audit Assessment

- Conduct a comprehensive evaluation through three preliminary review stages: "qualification review", "formal review," and "responsive review"
- Regularly review compliance status and dynamically assess and evaluate suppliers' qualifications, procurement processes, contract execution, and utilization effectiveness.

Exit Mechanism

- Implement measures such as warnings, suspending quotation qualifications, and blacklisting for supplier misconduct
- According to the "Supplier Evaluation Measures", suppliers with serious violations and non-compliance will be expelled.

Indicator Name		Unit	2023	2022	2021
Total Number of Suppliers		Units	2,795	2,885	2,120
Number of Suppliers by Geographical Region	North China	Units	1,605	1,698	1,114
	Northeast China	Units	215	301	49
	East China	Units	234	190	137
	Central China	Units	309	221	172
	Northwest China	Units	171	180	241
	Southern China	Units	219	154	115
	Overseas	Units	42	141	292

Case Study: Jingneng Clean Energy Holds "Sunshine Procurement" Launch Meeting



Procurement and bidding management are crucial to the overall operation of Jingneng Clean Energy, with significant responsibilities. We have fully implemented "Sunshine Procurement," and on June 25, 2023, Jingneng Clean Energy held a launch meeting for "Sunshine Procurement."

During the meeting, everyone watched an educational warning video together. The head of the Operations Department of Jingneng Clean Energy disseminated the Sunshine Procurement Action Plan, Integrity Management Measures for Sunshine Procurement, and Behavioral Management Measures for Procurement Practitioners. Representatives from Jingyang Power and the Beijing Branch made statements. This meeting further standardized the bidding and non-bidding procurement activities of Jingneng Clean Energy to prevent procurement risks.



Public commitment and signing of commitment letter

Responsible Procurement

Responsible procurement is an important means for Jingneng Clean Energy to work together with the upstream and downstream of the supply chain to embrace a green future. During the procurement process, we adhere to various relevant systems and regulations, such as implementing the Industrial Structure Adjustment Guidance Catalog and the Elimination Equipment Catalog to ensure that the manufacturing and supply of products meet environmental standards. We also supervise every aspect of equipment and material procurement, conduct periodic inspections of suppliers, and promote the implementation of responsible procurement principles. In terms of localized procurement, we proactively and preferentially consider local suppliers to reduce logistics costs, effectively reduce carbon emissions caused by long-distance transportation, and support local economic development.

In the product selection process, we also prioritize purchasing products with green attributes, renewable energy, and the logo for renewable water resources. By supporting these environmentally friendly products, we are also indirectly influencing the production methods of suppliers and encouraging more businesses to move towards environmental sustainability.



02

PRACTICING LOW-CARBON ENVIRONMENTAL PROTECTION THROUGH GREEN MANAGEMENT

- ▶ 2.1 Environmental Management
- ▶ 2.3 Pollution Control
- ▶ 2.2 Resource Utilization
- ▶ 2.4 Climate Change

Jingneng Clean Energy, with green as its foundation, advances the sustainable energy and green transformation process guided by goals. Through system establishment, innovative research and development, and green technological improvements, we aim to enhance resource and energy efficiency while reducing pollution emissions. In addressing climate change, we also leverage the advantages of clean energy and green financial tools to seize opportunities and manage risks.

2.1 Environmental Management

Comprehensive Environmental Management

We deeply understand the impact of the energy industry on the ecological environment, hence balancing environmental protection, renewable energy, and economic benefits in our business philosophy. The group is mainly engaged in wind power generation, photovoltaic power generation, gas power generation and heating, small and medium hydropower, energy storage, and other clean energy development fields. While our overall reliance on non-renewable resources and generation of pollutants is significantly lower than that of thermal power generation companies, we continue to enhance our environmental management systems to reduce the environmental and natural resource impacts of our natural gas heating and renewable energy generation operations.

In terms of compliance, we fully adhere to relevant laws and regulations such as the Environmental Protection Law of the People’s Republic of China, the Law of the People’s Republic of China on the Prevention and Control of Atmospheric Pollution, the Law of the People’s Republic of China on the Prevention and Control of Water Pollution, the Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste. Based on the types of main business operations and actual circumstances, we have formulated the Regulations on Environmental Protection Management, clearly delineating the responsibilities of each department in environmental protection work and providing detailed provisions for pollutant discharge permits, emission monitoring, environmental statistics, information disclosure, inspections, and assessments for construction and production projects.

Furthermore, we have established a Safety Production Department and an Environmental Protection Leading Group to ensure the implementation of environmental systems and policies. We have designated a clear primary person responsible and relevant department for environmental protection in the environmental protection management process, while increasing investment in environmental protection funds.

In the Year, we have not experienced any significant illegal or irregular incidents.



2.2 Resource Utilization

Energy Management

Jingneng Clean Energy actively responds to national policies and is committed to the green, low-carbon environmental protection cause. The group actively responds to the country's energy management policies, such as the Energy Conservation Law of the People's Republic of China and other related regulations. Based on the standard Requirements for the Energy Management Systems GB/T23331-2020, we have established our own energy management system at Jingneng Clean Energy, including the Energy Conservation Management Regulations and the Implementation Rules for Energy Conservation Technology Supervision, which have been approved by third-party supervision. We continuously promote the rational use of energy, improve energy efficiency, and address the limited nature of energy resources and environmental issues.

In the Year, several of our subsidiaries and branches have implemented the Energy Conservation Implementation Plan and other management measures. They have fully implemented energy conservation policies, advanced green technological upgrades, optimized resource, and energy utilization efficiency, and ensured the maximum reduction of energy waste and loss in the production and operation processes. By continuously reducing the total energy consumption, lowering energy consumption intensity, and increasing self-generated electricity, we have achieved the energy efficiency goals for the current year.

In setting energy efficiency goals, each subsidiary company dynamically formulates annual goals based on national or local management regulations and actual company circumstances. Annual targets, such as power generation, heat supply, electricity consumption for power generation, gas consumption for heating, and comprehensive electricity consumption targets, are further detailed and decomposed into monthly objectives. These are managed by production departments at different levels and subject to regular assessments. This ensures a continuous improvement in energy efficiency levels while safeguarding production order.

Indicator Name	Category	Unit	2023	2022	2021
Total Energy Consumption		MWh	45,980,217	43,746,588	44,849,167
Energy consumption density		MWh/100 million kWh	118,232	119,428	137,225
direct energy consumption ¹	Gasoline	MWh	9,017	10,335	8,523
	Diesel fuel	MWh	362	240	1,717
	Natural gas	MWh	45,063,253	43,033,931	44,146,498
	Self-generated electricity	MWh	797,830	603,090	590,000
Total direct energy consumption		MWh	45,870,462	43,647,595	44,746,738
Direct energy consumption density		MWh/100 million kWh	117,949	119,158	136,911
Total indirect energy consumption ²		MWh	109,755	98,993	102,429
Indirect energy consumption density		MWh/100 million kWh	282	270	313

Case Study: Gaoantun Power Energy Conservation and Emission Reduction Practice

In 2023, Gaoantun Power of Jingneng Clean Energy actively responded to the Company's low-carbon environmental protection policy by continuously refining energy-saving measures. Responsibilities were detailed down to specific positions, and regular supervision and inspection of various professional energy-saving plans were conducted to ensure the efficient operation of the energy management system. Additionally, regular energy-saving analyses were conducted, benchmarking against other units, identifying issues promptly, and enhancing unit operational efficiency. Quarterly adjustments to the decomposed monthly target plans were made based on the performance against indicators, ensuring that the annual target plan remained controllable and achievable. This approach achieved the three-step goal of clear responsibilities, regular analysis, and indicator implementation.

Furthermore, in cultivating a culture of energy conservation and consumption reduction, in 2023, Gaoantun Power carried out energy-saving publicity and training activities. Using monthly energy-saving meetings, the organization facilitated learning among members of the energy-saving network about the National Development and Reform Commission's notifications regarding the national energy-saving publicity week, thereby enhancing staff awareness of energy conservation and emission reduction.

1.Direct energy consumption refers to national standards such as "Greenhouse Gas Emission Accounting Methods and Reporting Guidelines for Land Transportation Enterprises (Trial)", "Vehicle Gasoline", "Vehicle Diesel" and "How to Prepare Environmental, Social and Governance Reports" Appendix 2: Calculated from "Reporting Guidelines for Environmental Key Performance Indicators".
2.The Group's indirect energy consumption statistics mainly come from purchased electricity.

Case Study: Southern China Branch Energy Conservation and Consumption Reduction Practice

In 2023, the Southern China Branch of Jingneng Clean Energy actively invested in the field of energy conservation and consumption reduction, initiating a total of 9 technical improvement projects in photovoltaic projects and making substantial progress.

In terms of planned renovations, the Xuwen Photovoltaic Power Station has signed a contract and plans to replace and commission the protection equipment for the 110kV Jingmai Line connection to the Sandun Station in the Zhanjiang area after a power outage.

Regarding technical upgrades, the Dingrui Photovoltaic Power Station successfully completed the #1 SVG reactive power compensation device fiber optic technology improvement project. The Jinbao Photovoltaic Power Station made substantial progress in the rectification of the substation monitoring system and the video surveillance communication upgrade in the photovoltaic area. The Liulin Photovoltaic Power Station completed the transformation of the 35kV #1 SVG control room air cooling and purification system. The Heba Photovoltaic Power Station has completed the replacement of 200 combiner boxes within the contract, with the remaining 184 boxes scheduled for replacement next year. The Guoxin Photovoltaic Power Station has completed the installation of the safety-stabilized control execution station project equipment and awaits notification from the power grid company to commence commissioning. The Changning Photovoltaic Power Station completed the replacement of the final 5 inverters and initiated a project to renovate the water supply system, which will proceed once the local government completes the water supply renovation. The Changde Distributed Photovoltaic Power Station inspection access passage project has completed the installation at 20 sites.

This project realized the technical upgrades of various photovoltaic projects, effectively promoting the technological transformation of power enterprises and advancing the development of clean energy within Jingneng Clean Energy. These initiatives not only contribute to energy conservation and resource utilization but also enhance the Company's competitiveness in addressing energy crises and environmental challenges.

Through the improvement of photovoltaic projects, the Southern China Branch effectively enhanced operational efficiency and further achieved energy conservation and consumption reduction. The proactive practices of the Southern China Branch provide strong support for the sustainable development of the clean energy industry, aligning with Jingneng Clean Energy's consistent development strategy of adhering to low-carbon environmental protection principles.

Water Resource Utilization

Water is an indispensable and crucial resource in company operations. Our company places high importance on the sustainable utilization of water resources and is committed to reducing water consumption and enhancing water resource efficiency through technological innovation and effective management. We have established detailed energy-saving and water-conservation management systems, such as the Administrative Measures for Energy and Water Conservation and the Administrative Regulations on Statistics of Energy and Water Conservation, to encourage subsidiary companies to effectively implement water usage targets and strive to improve water resource management efficiency.

Furthermore, we have set internal water conservation targets within the Company, aiming to continuously improve water resource utilization efficiency through technological innovation and gradually reduce water consumption. In terms of water extraction from water sources, we have successfully obtained permits for groundwater extraction and conducted water quality testing in compliance with the law to ensure that water extraction and usage are in accordance with regulations. There have been no significant issues related to water sourcing or any behaviors that violate local ecological environments.

Indicator Name	Unit	2023	2022	2021
Total Water Consumption ³	Cubic meters	1,878,168	1,673,525	1,855,549
Water Consumption Intensity	Cubic meters / hundred million kWh	4,829.44	4,568.73	5,677.41

3.The Group's water resource consumption statistics include the consumption of tap water and groundwater from deep wells.

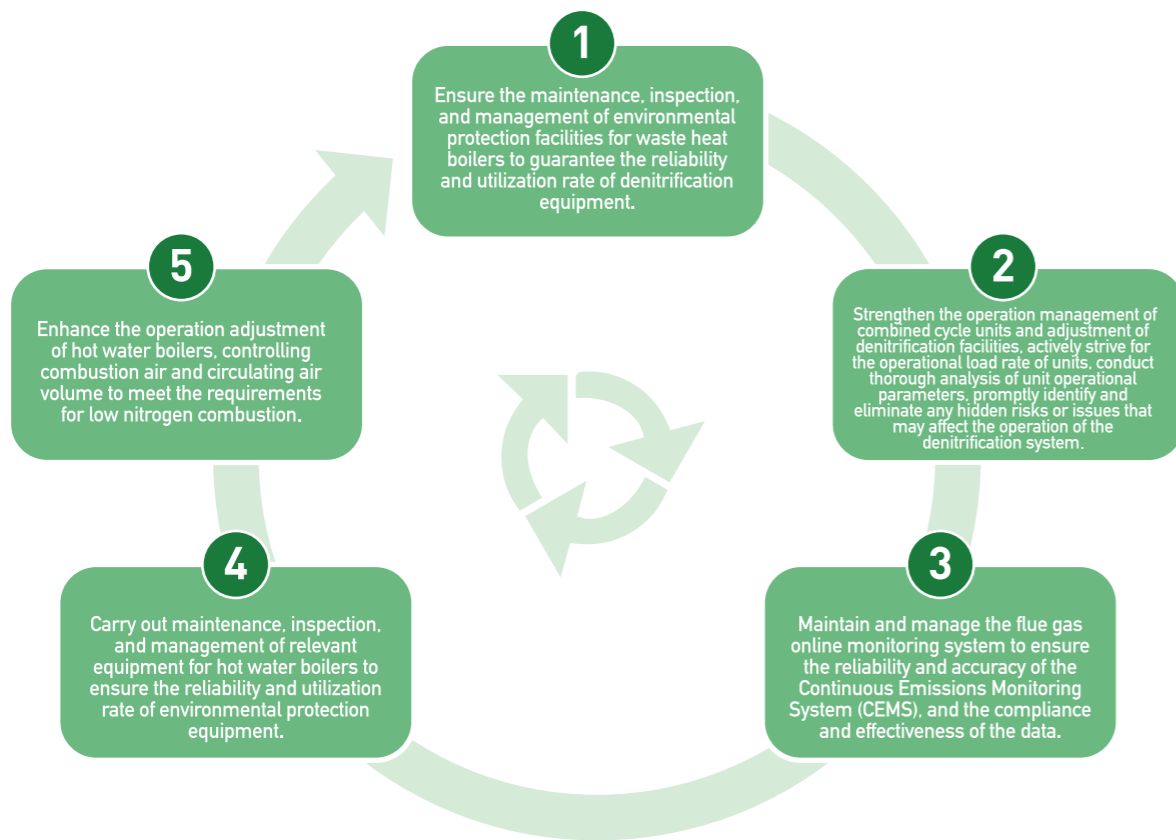
2.3 Pollution Control

Emission and Wastewater Management

The Group's emission of waste gas mainly arises from gas power generation equipment and the use of fuel in motor vehicles. In terms of waste gas emissions, we strictly adhere to the Emission Standard of Air Pollutants for Stationary Gas Turbine and the Emission Standard of Air Pollutants for Boilers, implementing emission concentration standards. Within the group, we have established management measures and requirements including the Administrative Regulations on the Configuration, the Operation and Maintenance of Environmental Protection Facilities and the Administrative Measures for Online Monitoring of Pollutants. Subsidiary companies conduct regular inspections and testing of equipment, carry out self-monitoring, and report on their compliance to the environmental protection department as required.

Additionally, we strictly adhere to national and local standards for compliant emission of air pollutants, opting for the more stringent standard when national and local standards differ. In the Year, in the Beijing area, the main atmospheric pollutant emitted by our gas-fired heating power plants is NOx, with concentrations below 50% of the local standards of Beijing. We will continue to work towards reducing emissions and minimizing our impact on the environment.

Taking Jingqiao Power of Jingneng Clean Energy, a gas-fired heat and power company, as an example, in 2023, the Company has implemented five major measures to achieve the goal of controlling NOx concentrations within 50% of Beijing's local emission limit values based on achieving compliant emissions for the flue gas pollutants from waste heat and hot water boilers. Specifically, the average concentration of NOx in the flue gas from waste heat boilers should be less than 12mg/m³, and from hot water boilers should be less than 40mg/m³.



The wastewater generated by the group mainly consists of industrial wastewater and domestic sewage. We strictly adhere to local regulations such as the Integrated Emission Standard of Water Pollution to ensure that the pollutant emission concentration of wastewater meets the discharge requirements and obtain discharge permits in accordance with the law. Subsidiary companies regulate the maintenance, operation, and management of wastewater treatment facilities to ensure the normal operation of equipment and compliant emission of pollutants. We regularly commission qualified testing agencies to conduct tests on the discharged wastewater, and all indicators meet the emission standards. In 2023, all power plants owned by Jining Clean Energy achieved the standard discharge of wastewater.

Indicator Name ⁴	Unit	2023	2022	2021
NOx Emissions	Tonnes	1,405	1,365	1,405
Sulfur Oxides Emissions	Tonnes	84	82	92
Particulate Matter Emissions	Tonnes	93	78	75



⁴In accordance with the How to Prepare an Environmental, Social and Governance Report by the Hong Kong Stock Exchange, Appendix 2: Reporting Guidelines for Key Environmental Performance Indicators, suggestions on data calculation methods were followed to compile emission statistics for air pollutants. Air pollutants mainly arise from gas company electricity generation and fuel consumption from mobile road sources.

Waste Management

In 2023, the Group's waste management covers two main categories: non-hazardous and hazardous waste. However, due to the green nature of the clean energy business of Jingneng Clean Energy, the quantities are significantly lower than those of coal-fired power generators. Non-hazardous waste includes general waste generated from daily life and office activities, such as wastepaper and canteen food waste. Hazardous waste primarily originates from equipment maintenance, testing, and technological upgrades, including hazardous waste such as waste oil, waste liquids, and waste batteries.

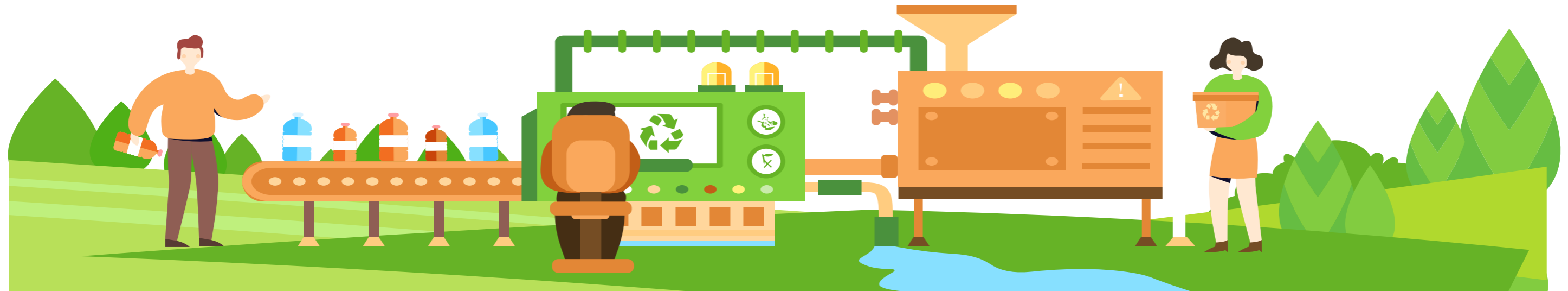
To promote sustainable development and further reduce environmental impact, the Group actively strengthens internal management. They have established regulatory documents such as the Management Measures for Waste Materials and the Management Regulations for Hazardous Wastes. They strictly classify, reduce, recycle, and centrally process waste in accordance with relevant national and local regulations.

Contracts for hazardous waste disposal have been signed to ensure that all hazardous waste is disposed of in an environmentally friendly manner by hazardous waste management units with operational permits. At the same time, kitchen waste and other wastes from domestic refuse are separately handed over to authorized disposal units for recycling and treatment to ensure compliance.

To achieve waste reduction, the Group has implemented several effective measures, including promoting waste separation and reduction activities through various channels, advocating for conservation and green practices in the workplace. Furthermore, we have enhanced the allocation and labeling of waste separation containers to reduce waste and increase resource recycling rates. Waste reduction efforts in domestic refuse have been included in departmental target responsibilities (trial), with regular statistics and disclosures, as well as timely management and intervention for excessive waste.

In 2023, taking Jingqiao Power of Jingneng Clean Energy as an example, its waste management goal is to ensure compliant disposal of all generated solid waste, strive to keep the total amount of domestic waste generated not exceeding the previous year, and gradually control the increase in hazardous waste. In the future, we will gradually strengthen waste management control efforts and steadily move towards more sustainable waste management practices.

Indicator Name ⁵	Unit	2023	2022	2021
Total Non-hazardous Waste Generated	Tonnes	366	369	340
Non-hazardous Waste Generation Density	Tonnes / per 100 Million kWh	0.94	1.01	1.04
Total Hazardous Waste Generated	Tonnes	194	186	82
Hazardous Waste Generation Density	Tonnes / per 100 Million kWh	0.50	0.51	0.25



5、無害廢棄物的類別包含：廢金屬、廢紙、廢塑料、廢玻璃以及一般垃圾等。有害廢棄物的類別主要包含：廢油、廢化學試劑、廢電池以及廢防凍液等。

Noise Management

The Group emphasizes noise pollution prevention and control in the production process and engineering project construction to minimize the impact on the local community. We actively comply with the relevant noise standards set by the local ecological environment management department and have implemented a series of measures:

Use of low-noise equipment

We select low-noise production and construction equipment to reduce noise emissions. For example, we use environmentally friendly equipment in engineering projects to reduce noise generation at the source.

Installation of noise reduction devices

In areas where necessary, we install noise reduction devices to mitigate the spread of noise.

Optimization of plant layout

Through proper plant planning and layout, we reasonably separate noise sources from the community to reduce interference during the noise propagation process.

Placement of noise exceeding standard signs

Within construction sites, we install signs indicating noise levels to remind workers and visitors of the current noise levels.

Provision of protective equipment

To minimize potential occupational hazards to construction personnel, we provide protective equipment such as earplugs to enable them to better protect their auditory health.

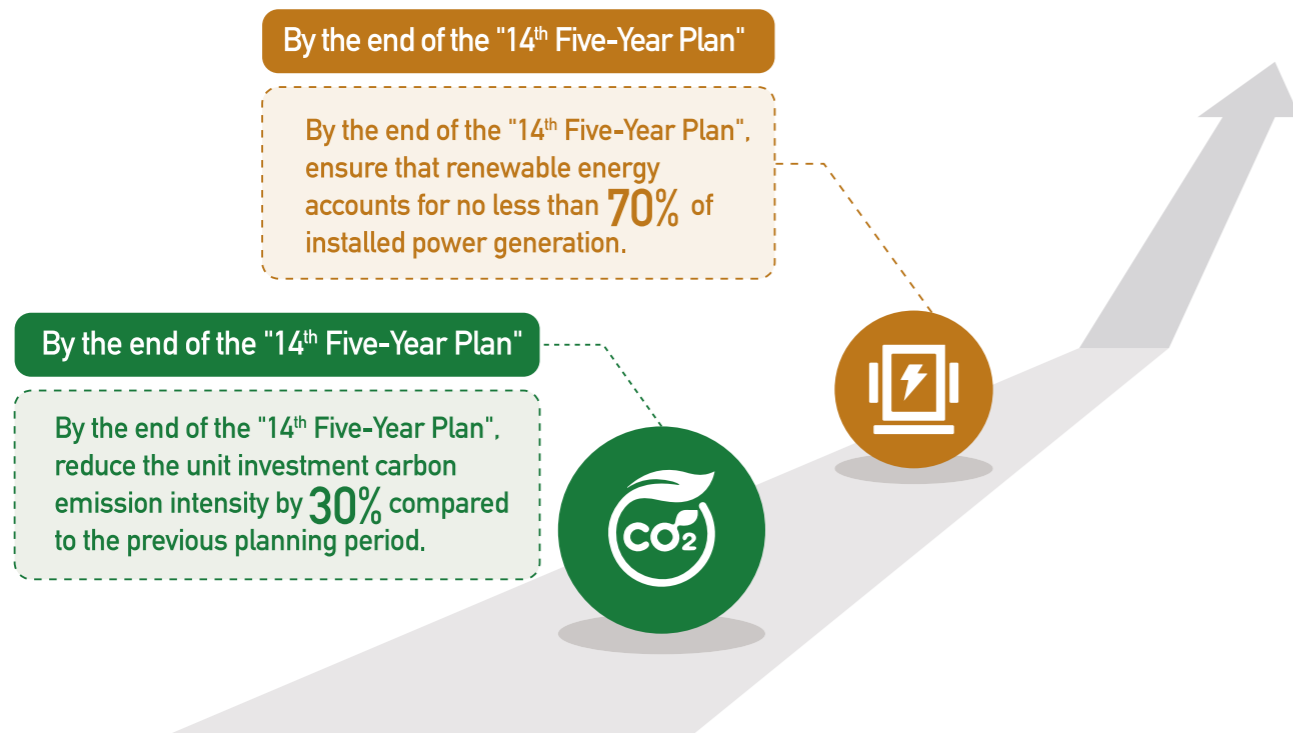
2.4 Climate Change

Identifying Opportunities in Climate Change

Opportunities coexist with business development, and as a practitioner in the clean energy industry, Jingneng Clean Energy has significant opportunities in the process of climate change. In 2023, we will continue to uphold the development goals of the end of the "14th Five-Year Plan", following the guidance of the "Jingneng Clean Energy "14th Five-Year Plan", with a goal to reduce the unit investment carbon emission intensity by 30% compared to the previous planning period. At the same time, with the aim of ensuring that renewable energy accounts for no less than 70% of installed power generation by the end of the "14th Five-Year Plan", we are actively promoting the low-carbon and environmental protection process. Looking back at the past three years, we have achieved a gradual decrease in total greenhouse gas emissions and emission intensity. In the future, we will further consolidate our core business and take on the mission of a clean enterprise under the framework of "dual carbon."

In the Year, we launched a trial of a carbon emission information platform to further promote the digital identification, tracking, and management of greenhouse gas emissions, supporting carbon trading. Additionally, we successfully issued the Pingan - Jingneng Clean Energy Phase 2 Asset Support Special Plan, with an issuance scale of 2 billion RMB, a term of 3 years, and all assets corresponding to renewable energy projects. The priority issuance interest rate is 2.95%, which represents the lowest coupon rate for similar products in the market during the issue period, amidst the upward trend in capital market rates.

Indicators and Targets



Case Study: Carbon Emission Information Platform Facilitating Digital Management

In 2023, Jingneng Clean Energy actively promoted the trial use of the carbon emission information platform and provided feedback on improvements based on the trial usage at power plants. Simultaneously, the Company supervised all gas-fired power plants to complete carbon emission compliance on time and in full quantity, ensuring a 100% on-time compliance rate. While meeting the annual operational needs of each gas-fired power plant, the Company sought to retain carbon quotas to the extent possible.

During the Year, two gas-fired power plants under the Company successfully completed carbon quota transactions, with a total trading volume of about 0.4 million tonnes and a total transaction amount of about 0.3 million RMB, achieving good returns.

Case Study: Promoting Business Expansion through Low-carbon Technology Research and Development

In the Year, Jingneng Clean Energy completed research on a new flue gas carbon capture technology for gas-fired power plants and conducted a feasibility analysis.

Moreover, the Company made substantial progress in carbon capture technology, conducting research on a new complex chemical absorbent system, and finalizing the design scheme for a 1,600-ton/year molecular sieve coupled phase change separation carbon capture system. Building on the foundation of the Gaoantun Power, Jingneng Clean Energy also completed a feasibility study report for a 100,000-ton/year chemical absorption carbon capture project, providing a reference basis for future implementation of carbon capture in Beijing's gas-fired power plants.

To ensure the application of technology, five patent applications related to technology research and development have been submitted, with two utility model patents granted, providing strong support for future technological innovation.

Case Study: Jingneng Clean Energy Successfully Issued Carbon-neutral Green ABS



Pingan-Jingneng Clean Energy 2nd Phase Asset Support Special Plan

On November 15, 2023, Jingneng Clean Energy successfully issued the Ping An-Jingneng Clean Energy 2nd Phase Asset Support Special Plan with an issuance size of 2 billion RMB and a term of 3 years, with all assets corresponding to renewable energy projects.

This issuance marks Jingneng Clean Energy's second attempt following the first try in April 2022 at receivables securitization, attracting high attention and recognition from the capital market. Investors showed a positive subscription attitude, with a subscription multiple of 3.4 times the issuance size. The financing cost advantage was significant, with a coupon rate of 2.95% for the senior tranche, the lowest face interest rate in the market for similar products with the same term during the period from May 2023 to November 2023, despite the rising trend in market interest rates.

Furthermore, this ABS obtained the exchange's label certification for "carbon neutrality," actively responding to policy requirements to revitalize receivable subsidy assets, control leverage, and reduce "two fees." It represents our further exploration of the "dual carbon" goal and an effective practice of innovative financing.



Enhancing Climate Risk Resilience

To address physical and immediate risks and enhance the operational resilience of the Company, the Group has developed relevant measures such as the Emergency Response Plan for Emergencies and the Special Emergency Response Plan for Natural Disasters. In 2023, the Beijing Branch further completed and updated the emergency management system, revised, and improved emergency plans, actively organized emergency drills, streamlined processes for emergency plan activation, early warning, and response, and improved the overall safety and emergency plan procedures. Thus, all the generator sets of the Company have avoid business disruptions during the severe rainfall in the Beijing-Tianjin-Hebei region in July 2023.

During the Year, for the special events of flood prevention and drought resistance, we actively followed the work requirements of the State Energy Administration's Integrated Department's Notice on Effectively Carrying out Flood Prevention and Drought Resistance Work in the Power Industry in 2023 (State Energy Integrated Security [2023] No. 26) and the Group's Notice on Effectively Carrying out Flood Prevention and Drought Resistance Work in 2023 (BEH [2023] No. 112), issued flood prevention and drought resistance work requirements, systematically analyzed and assessed the main risks during the flood season, conducted thorough pre-flood inspections, and made full efforts to carry out flood prevention and drought resistance work.

Various units under Jingneng Clean Energy actively responded by formulating flood prevention and drought resistance work plans, conducting comprehensive inspections of flood prevention materials, drainage channels, sewage wells, inspection wells, and fire wells, identifying 113 issues, and completing all corrections. Nine flood emergency drills were conducted to improve the overall coordination and response mechanism, enhancing emergency response capabilities. Constant attention was given to various disaster risks and weather changes, ensuring early warning, detection, and prevention. Strengthened duty and reporting, implementation of various disaster prevention and mitigation measures, and full efforts to ensure the stability of the safety production situation.

Risk category	Risk description	Addressing measures
Transition risk	The Company's natural gas power generation and heating business relies heavily on fossil fuels. This dependence makes the Company likely to be subject to adjustments to environmental and energy policies, changes in regulations, and fluctuations in the international energy market during its operations. influence of factors.	<ul style="list-style-type: none"> • Taking scientific and technological innovation as the guide, introducing advanced science and technology and innovative technologies, continuously improving energy utilization efficiency, reducing natural gas consumption, and enhancing endogenous development momentum; • Promote the development of renewable energy business, enhance the Company's operation resilience, and seize opportunities in renewable energy.
Market risk	The Company's projects have large one-time investments and long recovery cycles, and some of its main businesses and income are highly dependent on carbon emissions .	<ul style="list-style-type: none"> • Calculate carbon emission data with a rigorous attitude and scientific methods, perform the contract in full and on time and disclose the data to the outside world ; • Gradually introduce carbon asset management and green financial instruments.
Physical risk	Part of the Company's business will be affected by extreme weather such as floods, fires, and storms, which may reduce revenue and increase costs on power generation facilities and operating efficiency . For example, floods may cause damage to power generation facilities, resulting in equipment loss and increased repair costs. Fires can compromise the safety of a facility, resulting in the need for downtime for repairs and reconstruction. Storms may have a direct negative impact on power generation efficiency, thereby reducing power generation revenue.	<ul style="list-style-type: none"> • Hire professional units to assess risks such as natural disasters, accidents and disasters ; • Prepare contingency plans for emergencies , formulate risk early warning mechanisms , and conduct regular drills for severe natural disasters; • Strengthen training on extreme weather disasters and enhance employees' understanding of climate change.

Case: Jingfeng Gas Safety Flood Fighting Example

Affected by multiple factors such as 'Typhoon Dusuiri', heavy rainfall occurred in the entire Haihe River Basin from July 28 to August 2, 2023, known as the '731 Heavy Rainstorm'. During the 731 heavy rainstorm, neither heavy rainfall nor secondary disasters affected the safety production of Jingfeng Gas of Jingneng Clean Energy.

The first phase project of the Jingfeng Gas laid the foundation stone on March 18, 2004, and was handed over to production and put into commercial operation on January 1, 2006. At the beginning of construction, the protection design was carried out according to medium-sized industrial and mining enterprises, and flood prevention requirements were fully considered. In addition, Jingfeng Gas also strictly based on the Company's Seismic Safety Assessment Report of the Phase I Project Site and designed according to the seismic fortification intensity of 8 degrees, demonstrating the Company's completeness of measures for safety emergency response to extreme weather.

Case: Mobilizing all thermal power companies in the future to ensure stable power supply in the capital

In the Year, Weilai Power of the Company organized employees from various departments to participate in public safety experience courses. Through immersive learning, employees' emergency response capabilities and safety awareness were improved. The course content includes practical emergency rescue operations, car wading, extreme weather-storms, subway safety fire simulations and other activities, allowing students to deeply understand how to deal with various emergency situations through personal participation.



Weilai Power flood prevention preparations

Before the flood season, based on the experience of summer flood control in previous years, production staff compiled and released the Operation Measures for Flood Control during the Peak Summer in advance, and laid out preparations related to summer flood control. At the same time, production personnel conducted a comprehensive inspection of the drainage system, refrigeration, and ventilation equipment, building anti-leakage measures, production equipment rain-proof and moisture-proof measures in the high and low points of the power plant and boiler room production area, and the hidden dangers of water accumulation in low-lying trenches and wells. And test the insulation one by one and try to start the sewage pump in the production area.

In addition, in the face of the extremely cold weather in Beijing at the end of 2023, the Group effectively organized the Beijing internal gas and power plant to do a good job in heating during the cold wave and blizzard, improve the heat source temperature, and ensure municipal heating problems.

Case: Jingyang Power carries out actions to protect heating in extremely cold weather

In the winter of 2023, to face the extremely cold weather, Jingyang Power of Jingneng Clean Energy prepared a safety production work plan, carried out cold and anti-freeze inspection in a timely manner, strictly implemented the safety production responsibility system, and made every effort to ensure the stable supply of thermal electricity in the severe winter.

In the future, Jingyang Power will continue to strengthen departmental cooperation, refine work measures, strengthen equipment maintenance management and unit operation management, and strive from many angles such as safety production, facility security, emergency management, etc., make every effort to welcome the peak of winter, maintain safety and supply, and contribute to the capacity of Beijing to the citizens of the capital to spend the warm winter. The ability to resist extreme weather and improve climate resilience.



Jingyang Power guaranteed heating supply

Indicator name	Unit	2023	2022	2021
Direct GHG emission (Scope 1) ⁶	Ten thousand tonnes of CO ₂ e	901.24	860.57	882.90
Indirect GHG emission (Scope 2) ⁷	Ten thousand tonnes of CO ₂ e	6.31	5.69	5.98
Other indirect GHG emission (Scope 3) ⁸	Ten thousand tonnes of CO ₂ e	0.20	0.09	0.06
Total GHG emission	Ten thousand tonnes of CO ₂ e	907.75	866.35	888.94
Greenhouse GHG emission intensity	Ten thousand tonnes CO ₂ e/ 100 million kWh	2.33	2.37	2.72

6.Scope 1 emissions mainly come from stationary combustion equipment in thermoelectric gas stations, road mobile sources, and refrigerants. For calculation methods and emission coefficients, refer to the Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions of China's Power Generation Enterprises (Trial), Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions of Land Transportation Enterprises (Trial) and IPCC GHG Calculation Tool.

7.Scope 2 indirect energy emissions refer to indirect greenhouse gas emissions generated by the Group's purchase or acquisition of energy. The Group's energy indirect greenhouse gas emissions only come from purchased electricity. The power emission coefficient refers to the Ministry of Ecology and Environment's Notice on the Management of Greenhouse Gas Emission Reports of Enterprises in the Power Generation Industry from 2023 to 2025 and the Australian Department of Industry, Science, Energy and Resources' National Greenhouse and Energy Reporting (Measurement) Determination 2008 (Schedule 1).

8.Scope 3 other indirect emissions covers other indirect emissions that occur outside the Group. The statistical scope includes wastepaper and business trips. This data is calculated based on Appendix 2: Reporting Guidelines for Environmental Key Performance Indicators of How to Prepare Environmental, Social and Governance Reports published by the Hong Kong Stock Exchange and the China Environmental Input-Output Database (CEEIO).

 **03 PUTTING PEOPLE FIRST TO SUPPORT SOCIAL DEVELOPMENT**

- ▶ 3.1 Equal Employment
- ▶ 3.2 Employee Care
- ▶ 3.3 Occupational Health
- ▶ 3.4 Safety Operation
- ▶ 3.5 Social Welfare

Jingneng Clean Energy is committed to creating a positive impact for all stakeholders in society, fostering an equal, inclusive, and healthy development environment for employees and supply chain partners, and creating momentum for the sustainable development of the Company and the industry. We adhere to the talent development philosophy of "putting people first and striving for excellence," focusing on the health and sense of accomplishment of employees and implementing comprehensive life cycle management of talent teams from employment, benefits, training, to promotion. At the same time, we also focus on the resilience of the supply chain, actively promoting comprehensive responsibility management of suppliers with clean energy at the center.

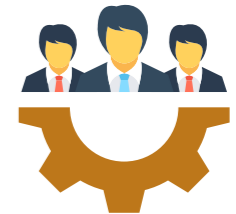
3.1 Equal Employment

Employment Policies

Jingneng Clean Energy fully complies with relevant laws and regulations such as the Labour Law of the People’s Republic of China, the Labour Contract Law of the People’s Republic of China. In the Year, there were no new regulations that would have a significant impact on us. During the recruitment and employment process, we sign labor contracts with all employees in accordance with the law and follow a series of internal regulations such as the Labour Contract Management Measures of Jingneng Clean Energy Co., Limited (Trial), the Employee Recruitment, the Employment and Leaving Management Measures, the Attendance Management Measures, the Labour Welfare Management Measures, and the Compensation Management Measures.

In the recruitment process, we ensure that no candidates is discriminated against or treated unfairly based on factors such as race, ethnicity, gender, or age. In the care for working mothers, we provide maternity leave, breastfeeding rooms, and childcare leave for employees. Additionally, during the promotion process, it is strictly prohibited to consider "whether the individual has given birth" as an assessment criterion.

In the Year, we also focused on enhancing the training and utilization of young cadres to optimize the age structure of the overall cadre team. By carefully adjusting the configuration of the leadership team and cadre team, we further standardized cadre management, fully leveraging the practical role of the cadre training system. We also actively promoted reforms in labor employment and income distribution, further enhancing the Company’s internal drive. By continuously improving the capabilities and qualities of the talent team, we deepened the "Three Support Teams" feature of the platform, aiming to create a more dynamic talent team for the sustainable development of the Company.



Labor Standards

During the Year, the Group did not experience any major violations of labor standards. We comply with national laws and regulations such as the Convention on the Worst Forms of Child Labor and strongly oppose and prohibit the employment of child labor and forced labor. During the recruitment process, we verify the age of candidates and do not hire underage applicants. We strictly adhere to prescribed work hours and ensure that job content, wages, benefits, and conditions are agreed upon with applicants to avoid forced labor. If any such situation is discovered, the Company will promptly report it and cooperate with local judicial authorities for strict handling.

Indicator name	Category	Unit	2023	2022	2021
Total number of employees		People	3,301 ⁹	3,190	2,951
By gender	Male	People	2,643	2,533	2,314
	Female	People	658	657	637
By region	North China	People	2,097	2,018	1,906
	northeast	People	265	239	222
	East China	People	12	6	12
	Central China	People	127	54	2
	Northwest	People	269	254	236
	South	People	488	601	555
	Overseas	People	43	18	18
	By employment type	Formal employee	People	3,301	3,190
	Temporary worker	People	12	0	2
By academic qualifications	PhD candidate	People	3	2	4
	Master's degree	People	216	172	165
	Undergraduate	People	2,151	1,999	1,755
	College degree and below	People	931	1,017	1,027
By age	35 years or younger	People	1,537	1,548	1,412
	36-45 years old	People	901	769	676
	46-55 years old	People	730	744	734
	56 years or above	People	133	129	129

9. For the year under review, data on temporary workers are excluded from the total number of employees and the number of employees by category.

Indicator name	Category	Unit	2023	2022	2021
Total employee turnover ratio ¹⁰		%	3	5	6
By gender ¹¹	Male	%	3	5	5
	Female	%	6	6	7
By age ¹²	35 years or younger	%	2	3	4
	36-45 years old	%	4	7	6
	46-55 years old	%	3	5	4
	56 years or above	%	13	16	25
By region ¹³	North China	%	3	5	6
	Northeast	%	1	3	5
	East China	%	25	17	17
	Northwest	%	2	4	0
	South	%	6	3	4
	Central China	%	3	6	6
	Overseas	%	9	17	0

Indicator name	Unit	2023	2022	2021
Number of middle-level managers and above	People	495	446	389
Number of female managers at mid-level and above	People	65	79	71
Number of male managers at middle level and above	People	430	367	318
Number of employees with disabilities	People	10	13	12
Labor contract signing rate	%	100	100	100
Social insurance coverage	%	100	100	100
Proportion of employees participating in unions	%	100	100	100
Average number of paid vacation days per year	%	11	11	10



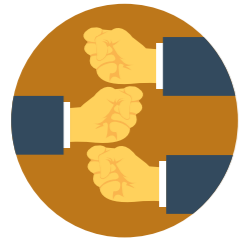
10. According to the recommendations on the data calculation method in Appendix 3: Reporting Guidelines for Social Key Performance Indicators of the Hong Kong Stock Exchange's How to Prepare Environmental, Social and Governance Reports, the percentage obtained is the number of employee resignations/total number of employees* 100.

11. According to the recommendations on the data calculation method in Appendix 3: Reporting Guidelines for Social Key Performance Indicators of the Hong Kong Stock Exchange's How to Prepare Environmental, Social and Governance Reports, the number of employees who have resigned in this category/the total number of employees in this category * 100 gets the percentage.

12. According to the recommendations on the data calculation method in Appendix 3: Reporting Guidelines for Social Key Performance Indicators of the Hong Kong Stock Exchange's How to Prepare Environmental, Social and Governance Reports, the number of employees who have resigned in this category/the total number of employees in this category * 100 gets the percentage.

13. According to the recommendations on the data calculation method in Appendix 3: Reporting Guidelines for Social Key Performance Indicators of the Hong Kong Stock Exchange's How to Prepare Environmental, Social and Governance Reports, the number of employees who have resigned in this category/the total number of employees in this category * 100 gets the percentage.

3.2 Employee Care



Employee Benefits

Jingneng Clean Energy has always adhered to a philosophy centered on employee needs, providing employees with the five social insurances and two housing funds, paid leave, regular health check-ups, holiday benefits, job promotions, year-end bonuses, supplementary medical insurance, heating reimbursement, and corporate pensions as fixed benefits. In the Year, we mainly provided the following benefits to employees:

01

Distributed holiday gifts to all members on statutory holidays, sent birthday wishes and cake vouchers to employees monthly, provided movie cards to employees, and distributed heatstroke medications, beverages, and other items to employees during the hot summer period.

02

Extended condolences to 15 employees who were sick, married, gave birth, or reached retirement age, and consoled 1 employee affected by disaster. Organized an annual health check-up for all employees.

03

Organized all employees to participate in the "Employee Medical Mutual Aid Plan".

04

Held activities such as a billiards competition, handicraft activities for Mother's Day, autumn fruit picking, a Mid-Autumn Festival food event, and a technology open day for employees, with participation from over 400 employees.

05

Updated and upgraded the physical facilities of the "Employee 's Home".

06

Expanded the Book Corner by three and purchased over 300 books on Chinese studies and philosophy as part of the Book Jingqiao Power Construction, further enriching the content of the employee library.

07

Conducted quarterly team committee meetings to facilitate communication, promptly identify and resolve issues, and ensure timely adjustments to menu items.

08

Combined with themed education, union cadres deeply engaged with the employees through heart-to-heart talks, surveys, and research to understand employee needs and provide precise, detailed, and heartfelt services.

09

Planned projects such as the Employee Cultural Activity Center and the "Four Seasons Food Festival", coordinated solutions to on-site challenges raised by employees, such as providing emergency blankets, distributing flood-resistant raincoats and shoes, and managing medicine boxes.



Case Study: Rising to the Peak to Ensure Power Supply, Safely Welcoming Summer with Coolness

On June 20, 2023, the "Caring Summer Coolness" event organized by the Beijing General Federation of Trade Unions entered Jingneng Clean Energy. Deputy Secretary and Vice Chairman of the Party Committee of the Municipal General Federation of Trade Unions, Pan Jianxin led the team to deliver sincere greetings and thoughtful care to the power workers who were fighting on the front lines of power supply security.

Power workers are an important force in the industrial workforce and play a crucial role in the energy supply of the capital and the stable economic development of society. Deputy Secretary Pan Jianxin distributed refreshing drinks to frontline workers and presented a condolence fund of 100,000 RMB on behalf of the Municipal General Federation of Trade Unions.



Field research and visits during the event

Case Study: Autumn Park Walking Event



Jingneng Clean Energy Autumn Park Walking Event

To enrich the leisure activities of the employees of Jingneng Clean Energy, the trade union of Jingneng Clean Energy organized the 2023 Autumn Park Walking Event in Wenyu River Park. The event required participants to walk 5 kilometers around the Wenyu River in Beijing, with more than 30 people taking part. Such outdoor and sports-related employee activities help create a healthy, civilized, uplifting, and inclusive staff sports culture atmosphere at Jingneng Clean Energy.

Employee Growth

In order to ensure that employees at Jingneng Clean Energy have gains and growth opportunities, we have established a comprehensive training program, including the Jingneng Clean Energy Electricity Co., Ltd. Beijing '14th Five-Year' Human Resources Planning, Jingneng Clean Energy Electricity Co., Ltd. Beijing Cadre Talent Team Building Three-Year Action Plan (2021-2023), Jingneng Clean Energy Electricity Co., Ltd. Beijing Middle and Young Cadre Job Rotation Management Measures (Trial), Jingneng Clean Energy Electricity Co., Ltd. Beijing Excellent Young Cadre Training Method (Trial), and Jingneng Clean Energy on Further Strengthening the Implementation Plan for the Construction of Party Cadres Team.

The clean energy industry is rapidly evolving, so we provide activities such as the "Assistance Programme" for employees, where training is conducted in modules with different themes to promote the exchange and learning of outstanding young talents, expand management strategies, enhance management capabilities, improve professional competence, and develop leadership skills to build a young talent pool for the Company's development. In the Year, we also organized employees to participate in the "Thousand Talents Plan" and "Talents Plan" training programs, aiming to cultivate high-quality, systematically structured leadership cadres and young talents. In terms of financial support, we allocate 2.5% of the total payroll for training expenses annually.

Case Study: Jingneng Clean Energy Hosts Inaugural Electricity Market Training Program

To effectively address the electricity market reform and enhance the core competitiveness of Jingneng Clean Energy's affiliated power enterprises in electricity market transactions, in the Year, Jingneng Clean Energy successfully organized the first session of the electricity market training program.

More than 40 key marketing personnel from Jingneng Clean Energy's affiliated power enterprises gathered in the Greater Bay Area of Guangdong, Hong Kong, and Macau to participate in the training. Expert instructors focused on the development status and transaction rules in the process of electricity market reform in representative regions such as Guangdong, Shanxi, Mongolia West, and the Northwest. They also covered topics related to green electricity and green certificate trading, providing participants with a systematic, professional, and content-rich training.



First Electricity Market Trading Training Program

During the training period, the instructors, drawing from their past work experience and in-depth understanding of the Beijing electricity market, conducted a meticulous analysis and outlook on the Beijing electricity market reform process. They also offered practical insights and strategies on "how internal enterprises in Beijing should respond to electricity market reform, seize opportunities, and harvest benefits," to aid Jingneng Clean Energy in seizing opportunities in future electricity market reforms and making new contributions to achieving high-quality development.

Case Study: Jingneng Clean Energy Launches "Assistance Programme" Training

In the Year, we continued to hold the Jingneng Clean Energy 2023-2024 "Assistance Programme" training. The current "Assistance Programme" is the first whole-process offline training activity launched by Jingneng Clean Energy in recent years, with 55 outstanding young talents from the headquarters and its 18 third-tier enterprises participating in this training session.

The "Assistance Programme" training by Jingneng Clean Energy has been held for three consecutive years. In the first two sessions, a total of 355 students successfully completed the program. This session's training course focuses on broadening strategic vision, enhancing management capabilities, and improving professional skills. It includes 18 courses such as political ideology, corporate management, international perspective, industry analysis, and psychological management. The training program is comprehensive with on-site study and centralized teaching, lasting for six phases over a total of 26 days. The aim of this training is to cultivate a group of young cadres at Jingneng Clean Energy who are "firm in their position with integrity, competent and confident in their abilities, and vigorous in their efforts", thereby accumulating young talents to contribute to the high-quality development of Jingneng Clean Energy.



Site photo of "Assistance Programme"



Employee Growth Assessment

Jingneng Clean Energy continues to improve internal care and management mechanisms for employees' growth assessment. In 2023, we adopted the following management methods:

First, deputy department heads and general managers in each department formulated personal annual performance goal responsibility statements based on the department's annual performance goals and job responsibilities. These statements were reviewed and signed by the department heads.

Second, department heads are responsible for performance communication and feedback with department employees. After the annual performance evaluation, superiors should provide feedback and conduct performance discussions with employees on their work performance, capabilities, and attitudes. They should acknowledge achievements, identify shortcomings, and offer improvement recommendations.

Third, if the assessed employee is unclear about or objects to the evaluation results, they can communicate with their immediate supervisor. If the disagreement persists, they can file a written complaint with the Human Resources Department. After investigating the employee's complaint, the Human Resources Department will coordinate and communicate with the employee's department. If no resolution is reached, it will be escalated to the Company's Assessment Leadership Team for resolution.

Indicator name	Category	Unit	2023	2022	2021
Total number of trained employees		People	3,311	3,141	2,946
Percentage of trained employees by gender	Male	%	80	79	78
	Female	%	20	21	22
Percentage of employees trained by employee category	Senior staff	%	3	3	3
	Mid-level employees	%	13	11	11
	Junior employee	%	84	86	86
Average hours of training by employee gender	Male	Hour	73	85	114
	Female	Hour	85	69	88
Average hours of training by employee category	Senior staff	Hour	96	101	109
	Mid-level employees	Hour	96	73	96
	Junior employee	Hour	72	82	110
Investment in employee training		Ten thousand RMB	1,300.87	473.12	321.58
Employee training coverage		%	100.00	98.46	98.15
Total employee training hours		Hour	249,754	256,820	319,123
Average training time per person		Hour	75	82	108

In the Year, we have increased our investment and efforts in employee training, raising the coverage rate of employee training to 100% to ensure that every employee receives the necessary training to support their growth.

3.3 Occupational Health



In the field of occupational health, we comply with the primary laws and regulations in China, including the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, the Measures for the Supervision and Administration of Employers' Occupational Health Surveillance. There were no significant new laws introduced this year that would have a notable impact on us. Internally, we have established regulations such as the Occupational Health Management Regulations, the Occupational Disease Prevention Management Regulations, the Work Safety and Occupational Disease Prevention Responsibility System Management Regulations, and the Labour Protection Articles and Special Protection Articles Management Regulations. In the Year, we revised the Regulations on the Upgrading Supervision and Management of Hazardous Operations, which apply to Jingneng Clean Energy Headquarters, its subsidiaries, and affiliated companies.

The Regulations on the Upgrading Supervision and Management of Hazardous Operations specify the responsibilities that relevant personnel must fulfill on-site during specific tasks such as equipment maintenance, inspection, testing, and operational activities. It details the circumstances under which supervision must be upgraded within a four-tier¹⁴ framework.

In preventing occupational hazards, we follow the following management approaches:

- 01** Arrange for employees in positions exposed to occupational hazards (noise, dust, high temperatures, toxic chemicals, etc.) to undergo occupational health checks before starting work, during work, and upon leaving the job. Generate a summary report of the occupational health check and conduct continuous health monitoring.
- 02** Strictly implement project occupational health protection facilities and main projects, place warning signs and instructions at prominent locations, and commission qualified third-party companies to conduct occupational hazard factor testing in the workplace.
- 03** For new construction, expansion, renovation projects, technical upgrades, and technology introduction projects that may pose occupational disease hazards, conduct occupational disease hazard pre-evaluation, design of occupational disease prevention facilities, evaluation of the effectiveness of occupational disease hazard control, and acceptance of protection facilities in accordance with relevant laws and regulations.
- 04** Based on the actual risk of occupational disease hazards, formulate plans and implementation schemes for occupational disease prevention and control, timely report hazardous projects to the local safety production supervision department, and file relevant departments for record.
- 05** Regularly organize occupational health and safety training and drills, mandatory for employees to obtain training qualifications and sign occupational health notification agreements. During the occupational disease prevention and control promotion period, display promotional boards internally, distribute promotional brochures, and popularize hygiene and health knowledge.
- 06** Regularly distribute labor protection articles and protective facilities, strengthen inspections and maintenance of protective facilities and emergency equipment, and replenish on-site emergency supplies and first aid supplies in a timely manner.

14.The four-tier structure is as follows: team (level 4), professional (outsourced project department, level 3), department (level 2), and enterprise (level 1).

Case Study: Occupational Health and Safety Production Month First Aid Training Activity



First Aid Training Activity

To comprehensively promote first aid knowledge and enhance employees' first aid capabilities, in accordance with the arrangements for "Safe Production Month," the first session of first aid training was conducted by Jingneng Clean Energy on June 27, 2023, at the Shangzhuang Power. A total of more than 60 personnel from departments and affiliated units in Beijing participated in the training.

For this training session, training instructors from the Beijing Red Cross Society were invited to conduct on-site lectures. The training was divided into two stages: theoretical knowledge of first aid and practical first aid training.

During the training, theoretical knowledge of first aid was explained, demonstrations were conducted on cardiopulmonary resuscitation (CPR) procedures, and the use and maintenance of Automated External Defibrillator (AED) equipment were demonstrated.

Indicator name	Unit	2023	2022	2021
Number of work-related fatalities	People	0	0	0
Percentage of work-related fatalities	%	0	0	0
Lost days due to work-related injuries	day	0	0	0



3.4 Safe Operation



Quality Management

Ensuring a stable energy supply is a key issue for us, and strengthening quality management is part of our daily work. In terms of laws and regulations, we adhere to the Product Quality Law of the People's Republic of China and other relevant laws and regulations, as well as industry regulations. During the Year, there have been no significant changes in legal requirements regarding our product quality. In our operational processes, we follow our self-developed regulations such as the Regulations on Engineering Quality Management, the Construction Management Process, and the Regulations on Maintenance Quality Management. Each department conducts quality control and project acceptance in accordance with these regulations.

Case Study: Jingxi Power Conducts a 20-day Overhaul

To prepare for the upcoming heating season, Jingneng Clean Energy combined the challenges and issues of the 2022 heating season and organized a "winter treatment in summer" overhaul.

Due to the shutdown of Generator 2, on August 27, 2023, Jingxi Power commenced a 20-day overhaul. This overhaul adhered to the principles of "scientific maintenance, necessary repairs, and quality repairs," combining minor repairs of Generators 1 and 5, totaling 404 inspection items for public and auxiliary equipment.

Facing tight deadlines and heavy tasks during the overhaul, Jingxi Power organized overhaul mobilization meetings, safety supervision meetings, and safety technical briefing meetings. From analyzing and summarizing unit operation data and equipment defects, developing safety measures and overhaul plans, to purchasing spare parts and components, and deploying various overhaul units, refining overhaul management processes were important for solid progress and advancing safety production work.



Jingxi Power Overhaul Site

Case Study: Jingneng Clean Energy Holds Analysis Meeting for Heating Service Work Orders

On October 12, 2023, Jingneng Clean Energy held an analysis meeting for handling heating service work orders under the theme of "handling first, investigating reasons later" for the 2023 heating season in Weilai Power. The meeting involved a thorough analysis and evaluation of the recent handling of heating service work orders within Jingneng Clean Energy sub-enterprises, combined with discussions on characteristics of heating service work orders for the current heating season. The aim was to promote a proactive approach to handling heating service work orders throughout Jingneng Clean Energy's enterprises with a high sense of political responsibility.

During the meeting, participants delved into the handling of heating service work orders for the current heating season within Jingneng Clean Energy. Shangzhuang Power and Weilai Power reported on the potential risk points and preventive measures for handling heating service work orders in their respective enterprises for the heating season. Other enterprises within the Jingneng Clean Energy group provided brief explanations of their heating situations. The BEH 12345 Service Center and Beijing Heat Service 96069 Hotline Center personnel offered guidance on heating service handover and handling work orders promptly, laying a solid foundation for the upcoming winter heating season.



Jingneng Clean Energy Holds 2023 Analysis Meeting for Handling Heating Service Work Orders Immediately After Receiving Complaints

Safety Production

In the year, we revised the Safety Production Five Excellence Management Evaluation and Assessment Measures, Safety Production Work Rewards and Punishments Measures, Dangerous Operation Upgrade Supervision and Management Regulations, Accident (Incident) Investigation Management Regulations, Two Tickets Three Controls Full Process Inspection Management Regulations, and Electric Power Construction Project Safety Supervision and Management Regulations, keeping our safety production system up to date and adding detailed quantitative evaluation criteria for the annual safety performance of our subordinate companies.

According to the safety management scoring table, safety management deduction table, and special item bonus table for safety management, we will conduct inspections and verifications of safety production work in our subordinate companies. We will then compare the overall safety management score with the annual safety reward corresponding table to reward safety production accordingly. To effectively enhance the safety production management level of our subordinate companies, strengthen the pertinence of safety production rewards, and fully motivate the initiative and enthusiasm of staff at all levels in safety production, we require our subordinate companies to establish a safety production reward fund, with a withdrawal not less than 1% of the unit's total annual salary.

In the Year, we have significantly increased investment in safety production and raised the frequency and number of emergency drills. In terms of safety production awareness training, we have conducted safety production training according to the annual safety training plan and participated in safety production training organized by the local energy supervision bureau, emergency bureau, and other higher-level units, aiming for a significant increase in the number of participants in safety production training. For example, in July 2023, we held four sessions of gas safety training and in November, we conducted annual certification training for platform system safety management personnel in the Company and subordinate units.

Case Study: Holding Regular Safety Committee Meetings to Emphasize Safety as the Top Priority



Jingneng Clean Energy Holds First Safety Committee Meeting of 2023

On the afternoon of January 17, 2023, Jingneng Clean Energy convened the first safety committee meeting of 2023, summarizing the safety production work in 2022, analyzing the safety production situation for 2023, and deploying key safety production tasks for the Year.

During the meeting, Jingneng Clean Energy read out the Notice on Issuing Key Safety Production Work for 2023 and conveyed the national safety production video conference for 2023, the State Energy Administration's power safety production video conference, and the first-quarter safety office meeting of the group. This further refined and implemented the dual-prevention safety management mechanism, solidifying the foundation of safety management.



Case Study: Jingneng Clean Energy Recognized as Beijing Youth Safety Production Demonstration Post



Jingneng Clean Energy's Gaoantun Heat and Power Generation Operation Team consists of 7 members, including 4 young party members and 3 Youth League members, with an average age of 29. They are a team of young individuals with good ideological integrity, strong professional ethics, and full of vitality and passion. In 2023, the Gaoantun Heat and Power Generation Operation Team was recognized as a Beijing Youth Safety Production Demonstration Post. The team has received several honors, including being named an advanced collective, "Workers Pioneer", and nationally trusted quality team, among others.

Guided by the Youth League, the Youth Safety Production Demonstration Post adheres to focusing on the core tasks, serving the overall situation, and training competent individuals for the Party. Team members have won honors such as the position star and chief operator in various knowledge competitions and technical competitions, using their excellent professional skills to ensure the safe and stable operation of the unit. This has helped the Company achieve over 3,300 consecutive days of safe production and conducted 28 start-up and shutdown operations, 12 turbine mode operations, and 1,967 execution of work permits in 2023, achieving "zero errors". During the handling of a hot network system failure incident in 2022, the team made significant contributions to stabilize the parameters of the Beijing heating pipeline, receiving key praise from the Beijing government at an emergency meeting and being recognized as a "Beijing Youth Safety Production Demonstration Post".



Jingneng Clean Energy's Gaoantun Heat and Power Generation Receives "Beijing Youth Safety Production Demonstration Post"

Case Study: 2023 Safety Production Month Mobilization and Deployment Meeting



On the afternoon of June 5, 2023, Jingneng Clean Energy held the 2023 "Safety Production Month" activity mobilization and deployment meeting. The leadership team of Jingneng Clean Energy, assistant general manager, safety director, chief legal advisor, and heads of various departments attended the meeting. In total, more than 150 people, including major leaders of affiliated enterprises, leaders in charge of safety production, safety directors, and heads of safety production and engineering construction departments, participated in the meeting online.

During the meeting, the Safety Production Department read out the "Safety Production Month" activity plan of Jingneng Clean Energy and organized the study and promotion of the "Criteria for Determining Major Power Safety Hazards". The Deputy Secretary of the Party Committee and General Manager Chen Dayu emphasized the need to focus on the control of high-altitude operations, hot work operations, and confined space operations. It is necessary to make a plan for infrastructure construction, maintenance, production operations, and peak-summer production center work. In terms of emergency response capacity building, it is also necessary to promote the joint construction and sharing of regional emergency resources and to preemptively prepare for extreme weather response.



Jingneng Clean Energy Holds Mobilization and Deployment Meeting for 2023 "Safety Production Month" Activity

Indicator name	Unit	2023	2022	2021
Investment for production safety	Ten thousand/RMB	21,669.66	8,885	7,313
Number of major equipment accidents	Number	0	0	0
Number of general equipment accidents	Number	0	0	0
Number of emergency drills	Number	1,072	893	794
Number of employees trained in production safety	人次	43,747	27,318	22,102

3.5 Social Welfare



Enterprises are part of society, and Jing Clean Energy actively fulfills its social responsibilities, not forgetting its responsibilities to society and the community. When conducting stakeholder surveys, we consider the community and the public as key stakeholders to enhance our understanding and awareness of their needs. We continue to invest in rural revitalization, public welfare charities, community assistance, volunteer services, and other areas to fulfill our responsibilities as a state-owned enterprise.

Empowering Rural Revitalization

2023 marks the beginning year of the 20th National Congress of the Communist Party of China and is a crucial year for implementing the 14th Five-Year Plan and consolidating and expanding the achievements of poverty alleviation. Jing Clean Energy always keeps in mind the task of consolidating the achievements of poverty alleviation and not forgetting its mission and commitment to empowering rural revitalization. We adhere to the leadership of Party building, company guidance, and employee participation and have carried out systematic assistance projects in various areas such as cooperative assistance and consumer assistance. Additionally, each subsidiary company has tailored internal policies and donation management methods for investing in local communities based on the operating conditions and requirements of the respective locations. For example, Jingneng Clean Energy's Jingqiao Power has formulated a program for Jingqiao Power to Deepen Consumer Assistance for Rural Revitalization, while the South China Branch of the Company has established the South China Branch's External Poverty Alleviation and Investment Management Measures to steadily promote rural revitalization, support local rural development in multiple ways, and contribute to the well-being of the people.

Case Study: Shangzhuang Power Actively Supports Rural Revitalization and Receives Certification



Shangzhuang Power receives the banner for "Practicing the Social Responsibilities of State-Owned Enterprises, Working Together to Support Rural Revitalization"

Shangzhuang Power of the Company has always actively implemented the requirements and deployments related to rural revitalization, proactively fulfilling its social mission and responsibilities, fully implementing the responsibility of rural revitalization, actively coordinating consumer assistance products and production and living materials that meet operational needs, and coordinating cafeteria procurement and trade union consumer assistance work. By assisting rural revitalization from multiple angles and with wide coverage, significant achievements have been made.

In the Year, Shangzhuang Power was awarded the banner "Practicing the Social Responsibilities of State-Owned Enterprises, Working Together to Support Rural Revitalization," which is a strong certification of Shangzhuang Power's purchase of assistance products and efforts to support rural revitalization.

Public Welfare and Volunteer Services

Jingneng Clean Energy, in line with the responsibilities of state-owned enterprises, actively promotes social care and civilized behavior, pays attention to social livelihoods and vulnerable groups, and carries out social welfare activities through various means such as public welfare and volunteer services. The Company persists in integrating its own development into the sustainable development of the areas where it operates, supporting community development, continuously increasing social welfare donations, and steadfastly striving to be responsible organization, working together for the construction of a better homeland.

Indicator name	Unit	2023	2022	2021
Social welfare service hours	Hour	1,284	4,060	1,753
Social welfare donation amount ¹⁵	Ten thousand/RMB	3,672	3,300	1,843.31

Case Study: Group Volunteer Service Practice

Eleven young members selected by the Beijing Branch of Jingneng Clean Energy joined the volunteer service team of the China Electric Power Construction and Development Conference with full service enthusiasm and meticulous service levels, becoming a bright scenery in the volunteer service team.



Photo of the Youth Volunteers at the China Electric Power Construction and Development Conference

With more than 2,500 participants at the conference, the service workload was heavy and the tasks were significant. The Beijing Branch promptly convened the 11 young group members to establish a temporary group branch. The temporary group branch secretary conducted pre-job training based on the conference agenda and organized a youth strike team on-site, active at four service posts and over 20 service points, accumulating a total of 264 service hours.

On the day of the conference, the volunteers wore uniforms and provided conference services, order maintenance, reception guidance, and other volunteer services at the Beijing International Convention Center. The volunteer service lasted for three days.



¹⁵he amount of social welfare donations includes party member donations, consumption assistance and charity donations.

APPENDIX:

HKEx ESG Reporting Guide Index

A.ENVIRONMENTAL		
Subject Areas, Aspects, General Disclosures and KPIs		Section
Aspect A1: Emissions		
General Disclosure	Relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste: (a) the Policy; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	PRACTICING LOW-CARBON ENVIRONMENTAL PROTECTION THROUGH GREEN MANAGEMENT: Environmental Management & Pollution Control
Key Performance Indicators	A1.1	The types of emissions and respective emissions data. PRACTICING LOW-CARBON ENVIRONMENTAL PROTECTION THROUGH GREEN MANAGEMENT: Environmental Management & Pollution Control
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). PRACTICING LOW-CARBON ENVIRONMENTAL PROTECTION THROUGH GREEN MANAGEMENT: Climate Change
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). PRACTICING LOW-CARBON ENVIRONMENTAL PROTECTION THROUGH GREEN MANAGEMENT: Pollution Control
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). PRACTICING LOW-CARBON ENVIRONMENTAL PROTECTION THROUGH GREEN MANAGEMENT: Pollution Control
	A1.5	Description of emission target (s) set and steps taken to achieve them. PRACTICING LOW-CARBON ENVIRONMENTAL PROTECTION THROUGH GREEN MANAGEMENT: Pollution Control
	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. PRACTICING LOW-CARBON ENVIRONMENTAL PROTECTION THROUGH GREEN MANAGEMENT: Pollution Control
	Aspect A2: Use of Resources	
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	PRACTICING LOW-CARBON ENVIRONMENTAL PROTECTION THROUGH GREEN 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). PRACTICING LOW-CARBON ENVIRONMENTAL PROTECTION THROUGH GREEN MANAGEMENT: Resource Utilization
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility). PRACTICING LOW-CARBON ENVIRONMENTAL PROTECTION THROUGH GREEN MANAGEMENT: Resource Utilization
	A2.3	Description of energy use efficiency target (s) set and steps taken to achieve them. PRACTICING LOW-CARBON ENVIRONMENTAL PROTECTION THROUGH GREEN MANAGEMENT: Resource Utilization
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target (s) set and steps taken to achieve them. PRACTICING LOW-CARBON ENVIRONMENTAL PROTECTION THROUGH GREEN MANAGEMENT: Resource Utilization
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. Due to the nature of the business, this content is not applicable
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources. PRACTICING LOW-CARBON ENVIRONMENTAL PROTECTION THROUGH GREEN MANAGEMENT: Environmental Management & Resource Utilization	
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. PRACTICING LOW-CARBON ENVIRONMENTAL PROTECTION THROUGH GREEN MANAGEMENT: Resource Utilization
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. PRACTICING LOW-CARBON ENVIRONMENTAL PROTECTION THROUGH GREEN MANAGEMENT: Climate Change	
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. PRACTICING LOW-CARBON ENVIRONMENTAL PROTECTION THROUGH GREEN MANAGEMENT: Climate Change

B.SOCIETY		
Subject Areas, Aspects, General Disclosures and KPIs		Section
Aspect B1: Employment		
General Disclosure	Relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare: (a) the Policy; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	PUTTING PEOPLE FIRST TO SUPPORT SOCIAL DEVELOPMENT: Equal Employment & Employee Care
Key Performance Indicators	B1.1	Total workforce by gender, employment type, age group and geographical region.
	B1.2	Employee turnover rate by gender, age group and geographical region.
Aspect B2: Health and Safety		
General Disclosure	Information relating to providing a safe working environment and protecting employees from occupational hazards: (a) the Policy; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	PUTTING PEOPLE FIRST TO SUPPORT SOCIAL DEVELOPMENT: Occupational Health
Key Performance Indicators	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.
	B2.2	Lost days due to work injury.
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work.	PUTTING PEOPLE FIRST TO SUPPORT SOCIAL DEVELOPMENT: Employee care
Key Performance Indicators	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).
	B3.2	The average training hours completed per employee by gender and employee category.
Aspect B4: Labour Standards		
General Disclosure	Relating to preventing child and forced labour: (a) the Policy; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	PUTTING PEOPLE FIRST TO SUPPORT SOCIAL DEVELOPMENT: Equal Employment
Key Performance Indicators	B4.1	Description of measures to review employment practices to avoid child and forced labour.
	B4.2	Description of steps taken to eliminate such practices when discovered.
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	BUILDING A SOLID FOUNDATION FOR CORPORATE GOVERNANCE: Supply Chain Responsibility Management

Key Performance Indicators	B5.1	Number of suppliers by geographical region.	BUILDING A SOLID FOUNDATION FOR CORPORATE GOVERNANCE: Supply Chain Responsibility Management
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	BUILDING A SOLID FOUNDATION FOR CORPORATE GOVERNANCE: Supply Chain Responsibility Management
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	BUILDING A SOLID FOUNDATION FOR CORPORATE GOVERNANCE: Supply Chain Responsibility Management
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	BUILDING A SOLID FOUNDATION FOR CORPORATE GOVERNANCE: Supply Chain Responsibility Management
Aspect B6: Product Responsibility			
General Disclosure	Information relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress: (a) the Policy; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	PUTTING PEOPLE FIRST TO SUPPORT SOCIAL DEVELOPMENT: Safety Operation	BUILDING A SOLID FOUNDATION FOR CORPORATE GOVERNANCE: Information Technology Infrastructure Due to the nature of the business, this content is not applicable
Key Performance Indicators	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Due to the nature of the business, this content is not applicable
	B6.2	Number of products and service-related complaints received and how they are dealt with.	PUTTING PEOPLE FIRST TO SUPPORT SOCIAL DEVELOPMENT: Safety Operation
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	BUILDING A SOLID FOUNDATION FOR CORPORATE GOVERNANCE: Information Technology Infrastructure
	B6.4	Description of quality assurance process and recall procedures.	PUTTING PEOPLE FIRST TO SUPPORT SOCIAL DEVELOPMENT: Safety Operation Due to the nature of the business, this content is not applicable
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	BUILDING A SOLID FOUNDATION FOR CORPORATE GOVERNANCE: Information Technology Infrastructure
Aspect B7: Anti-corruption			
General Disclosure	Relating to bribery, extortion, fraud and money laundering: (a) the Policy; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	PUTTING PEOPLE FIRST TO SUPPORT SOCIAL DEVELOPMENT: Employee Care	BUILDING A SOLID FOUNDATION FOR CORPORATE GOVERNANCE: Compliance Operations
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.	BUILDING A SOLID FOUNDATION FOR CORPORATE GOVERNANCE: Compliance Operations
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	BUILDING A SOLID FOUNDATION FOR CORPORATE GOVERNANCE: Compliance Operations
	B7.3	Description of anti-corruption training provided to directors and employees.	BUILDING A SOLID FOUNDATION FOR CORPORATE GOVERNANCE: Compliance Operations
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.	PUTTING PEOPLE FIRST TO SUPPORT SOCIAL DEVELOPMENT: Social Welfare	
關鍵績效指標	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	FEATURE OF RESPONSIBILITY: TAKING IMMEDIATE ACTION IN DISASTER RELIEF, INTERPRETING JINGNENG CLEAN ENERGY'S RESPONSIBILITY
	B8.2	Resources contributed (e.g. money or time) to the focus area.	FEATURE OF RESPONSIBILITY: TAKING IMMEDIATE ACTION IN DISASTER RELIEF, INTERPRETING JINGNENG CLEAN ENERGY'S RESPONSIBILITY

Independent Assurance Statement



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Independent Limited Assurance Report

Ernst & Young Hua Ming (2024) No.70143038_A01
Beijing Jingneng Clean Energy Co., Limited

Board of Directors of Beijing Jingneng Clean Energy Co., Limited:

Scope

We have been engaged to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements, on the specified information ("Key Information") of Beijing Jingneng Clean Energy Co., Limited ("Jingneng Clean Energy") 2023 Environmental, Social and Governance Report ("ESG Report").

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the ESG Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by Jingneng Clean Energy

In preparing the Key Information of ESG Report, Jingneng Clean Energy applied the Environmental, Social and Governance Reporting Guide issued by the Stock Exchange of Hong Kong Limited (HKEx) and the criteria as defined and disclosed in the ESG Report ("Criteria").

Management's responsibilities

Jingneng Clean Energy's management is responsible for selecting the Criteria, and for presenting the Key Information of ESG Report in accordance with the criteria above, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, so that such key information is free from material misstatement due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Key Information of the ESG Report based on the evidence we have obtained. We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ("ISAE 3000 (Revised)"), and the terms of reference for this engagement as agreed with Jingneng Clean Energy on 29th January 2024. The standard requires that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Key Information in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance. Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Key Information and related information, and applying analytical and other appropriate procedures.



Independent Limited Assurance Report (Continued)

Ernst & Young Hua Ming (2024) No.70143038_A01
Beijing Jingneng Clean Energy Co., Limited

Description of procedures performed (Continued)

We performed assurance procedures on the specified information in ESG Report:

- Scope 1 of carbon emissions
- Scope 2 of carbon emissions
- Total Nitrogen oxide emissions
- Total Sulfur oxide emissions
- Output of hazardous waste
- Total Natural gas consumption
- Gasoline consumption
- Diesel consumption
- Total indirect energy consumption
- Total water consumption
- Total amount of public welfare investment
- Total number of employees
- Safety production investment
- Total number of supplier
- Number of trainees

Our procedures included:

- 1) Conducted interviews with personnel to understand the business and reporting process
- 2) Conducted interviews with key personnel to understand the process for collecting, collating and reporting the Key Information during the reporting period
- 3) Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria
- 4) Undertook analytical procedures of the data and made inquiries of management to obtain explanations for any significant differences we identified
- 5) Tested, on a sample basis, underlying source information to check the accuracy of the data; and
- 6) Other procedures deemed necessary

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that need to be made to the Key Information of ESG Report, in order for it to be in accordance with (or based on) the Criteria.

