



安徽皖通高速公路股份有限公司
ANHUI EXPRESSWAY COMPANY LIMITED

Hong Kong Stock Exchange Stock Code: 00995

2023

Environmental, Social and Governance Report



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Introduction

About the Report

Reference Standards

The Report is prepared with reference to the *Environmental, Social and Governance Reporting Guide* set out in Appendix C2 to the Rules Governing the Listing of Securities on Main Board (Listing Rules) of the Stock Exchange of Hong Kong Limited (“HKEX”), the *Guidelines No. 1 for Self-Regulation of Listed Companies — Standardized Operation of Listed Companies* released by the Shanghai Stock Exchange.

Reporting Scope

This annual report is a full disclosure of the ESG (Environmental, Social, and Governance) performance of Anhui Expressway Co., Ltd from January 1, 2023 to December 31, 2023 ("the Reporting Period"). To enhance the comparability and forward-looking nature of the report, some contents have been extended.

Organizational Coverage

For ease of expression and reading, "Anhui Expressway", "We", "Company" and "the Company" are used in this report to represent Anhui Expressway Co., Ltd.

Reliability Assurance and Boundary

Information and data disclosed herein are obtained from internal documents, statistical reports or public materials of Anhui Expressway Co., Ltd. The Company promises that there are no false or misleading statements in this report, which is prepared following the principle of priority, quantification, balance and consistency, and the Company is responsible for the authenticity, accuracy and completeness of the content herein. Unless otherwise specified, the scope of this report is consistent with that of the Annual Report, and the currency unit involved in the report is RMB.

Access to this report

This report is made available to stakeholders and the public in the form of electronic edition. The electronic version of the report can be downloaded and read on the official website of Anhui Expressway Co., Ltd., the website of The Stock Exchange of Hong Kong Limited, and the website of Shanghai Stock Exchange.

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About Us

Company Profile

Incorporated in Anhui Province, the PRC on August 15, 1996, Anhui Expressway Co., Ltd is the first expressway operator listed in Hong Kong and the only listed company of the type in Anhui. The Company was listed on Hong Kong Stock Exchange in November 1996 for H shares (foreign capital-based share listed overseas); and in January 2003, it was listed on Shanghai Stock Exchange for CNY-based ordinary shares (A shares).

The principal business of the Company includes investment, construction, operation and management of toll roads within Anhui province. The Company acquires operating expressway assets through various means such as investment and construction, acquisition or co-operative operation. The Company provides toll service for vehicles, collects vehicles toll free according to the charging standard and maintains, repairs and carries out safety maintenance for the operating expressways. The Company owns all or part of the toll road equity in Hening Expressway (G40 Hushan Expressway Hening Section), New Tianchang Section of National Trunk 205, Gaojie Expressway (G50 Huyu Expressway Gaojie Section), Xuanguang Expressway (G50 Huyu Expressway Xuanguang Section), Guangci Expressway (G50 Huyu Expressway Guangci Section), Ninghuai Expressway Tianchang Section, Lianhuo Highway Anhui Section (G30 Lianhuo Expressway Anhui Section) and Ningxuanhang Expressway, etc., all of which are located in Anhui Province. As of December 31, 2023, the Company's operational highway mileage has reached 609 kilometers. Moreover, as expressways showed the features of network operations, the Group also provided entrusted management services (including the management of toll service, maintenance and repair, information and technology, safety of road assets, etc.) for some road sections to Anhui Transportation Holding Group and its subsidiaries. As of now, the total mileage of toll roads managed by the company has reached 5,296 kilometers.

Total Asset

21,739 CNY million

Operating Income

6,631 CNY million

Total Profit

2,267 CNY million

Total Tax

745 CNY million

Basic Earnings Per Share

1 CNY/share

Highlights of Annual ESG Performance

Governance Performance


- The Company held **2** Shareholders' Meetings, **14** Board Meetings of Directors and **10** Meetings of Supervisory Committee.
- The Company has disclosed **229** documents in total, including **59** interim announcements for A shares and **49** for H shares.
- The Company was honored as an "Advanced Legal Innovation Unit in the Highway Industry for 2023" by the China Highway and& Transportation Society.
- The number of significant negative public opinion events related to business ethics in the Company is **zero**.

Environmental Performance

- The number of penalties received due to environmental issues is **zero**.
- Low carbon and green road maintenance of **68.68km** were conducted in total, reducing waste from pavement excavation by about **7,900 square meters** and reducing carbon emissions by **327 tons**.
- The Company has invested a total of **51.9491 million** in environmental protection funds.
- The Company invested **9.85 million** for the renovation of 15 sewage treatment facilities.

Social Performance

- The Company has implemented rectifications for a total of **132** pain points and difficulties in travel services.
- The number of reasonable complaints regarding toll disputes in the company is **zero**.
- Green channel exemptions totaled approximately **138 million**, benefiting **203,400 vehicles**.
- Exemptions during holidays and festivals amounted to **250 million**, covering **58.21 million** vehicles.
- ETC discounts totaled **287 million**, with discounts for trucks using Anhui transportation cards accounting for **174 million**, representing 61% of the total ETC discounts.
- Other policy-related exemptions were approximately **18 million**.
- The union membership rate of employees has reached **100%**.
- The signing rate of collective contracts for employees is **100%**.
- A total of **3.3116 million** has been invested in rural revitalization.

No.	Honor Title	Photos of Awards
1	Golden Bull Award for "The Most Investment Value of 2023"	


2

Top 10 Listed Companies in Anhui for Comprehensive Development Capability in 2022 (Ranked 2nd)

综合发展能力十强		
排名	公司简称	综合得分
1	口子窖	0.3332
2	皖通高速	0.2706
3	立方数科	0.2412
4	中科美菱	0.2316
5	科大讯飞	0.2209
6	香农芯创	0.2127
7	恒烁股份	0.2032
8	国盾量子	0.1991
9	阳光电源	0.1990
10	交建股份	0.1953

3	Excellent Report on the Corporate Social Responsibility (ESG) of the Transportation Industry in 2022 (Highest Rating)	
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4	Outstanding Case on the Corporate Social Responsibility (ESG) of the Transportation Industry in 2023 (Highest Rating)	
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No.	Honor Title	Photos of Awards
5	The 8th Times Finance Golden Orange Award for "Listed Companies with High-Quality Development in 2023"	

6	The 6th New Fortune Best IR Hong Kong Listed Company	
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7	2023 Hefei High-tech Zone Enterprise Recognition Award for Economic Contribution	
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8	Donation Certificate from Anhui Provincial Police Officers Mutual Assistance Association	
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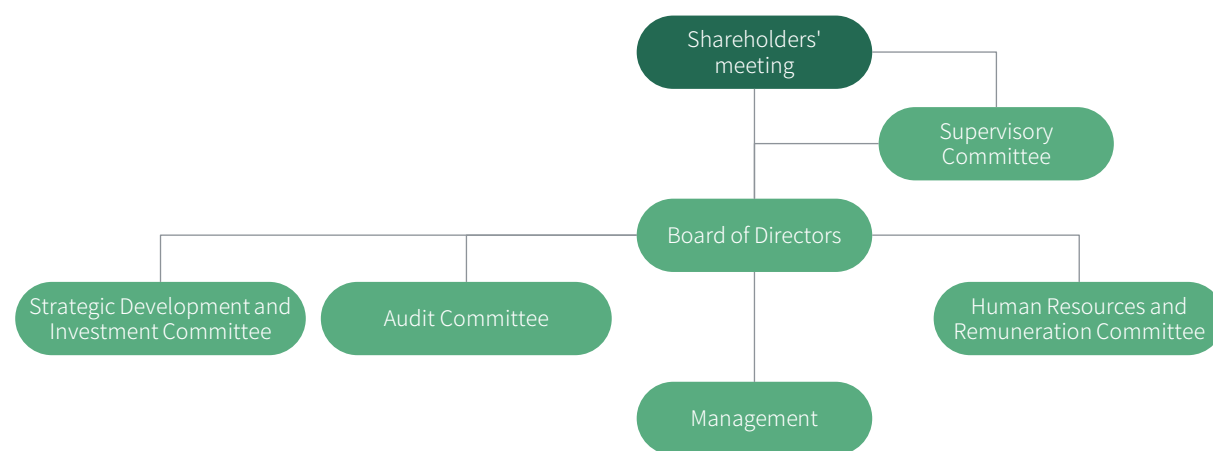
Governance

Support for Steady Progress

Understanding the role of effective governance as a key to corporate success in a complex and ever-changing market, the Company, in consistent with the culture of "Xin Hui Dao" of Anhui Transportation Holding Group Corporation, constantly seeks to reinforce its governance structure and implements stringent standards for its business operations and risk management to lay a solid foundation for its long-term value.

Corporate Governance

The Company has established a governance structure consisting of the general meeting of shareholders, the board of supervisors and the management, with governance rules formulated at all levels based on its articles of association for the purpose of specifying the responsibilities, authority and code of conduct for everyone. The general meeting of shareholders, the Board of Directors, all the special committees and the board of supervisors perform their own duties and coordinate with each other in an orderly manner according to the laws, regulations and governance rules for better corporate governance and higher decision-making efficiency.



Governance Structure of Anhui Expressway

The Board of Directors currently has 7 directors, including 2 executive directors, 2 non-executive directors and 3 independent directors. Independent directors, representing 43% of the directors, provide independent advice on business strategy, business performance and management. The Board of Directors is mainly responsible for making decisions on the development strategy, governance structure, investment and financing. Three special committees, the Strategic Development and Investment Committee, Audit Committee, Human Resources and Remuneration Committee are established as subordinate organizations to the Board of Directors to ensure standardized, sound and efficient governance. In 2023, the Company held 2 Shareholders' Meetings, 14 Board Meetings of Directors and 10 Meetings of Supervisory Committee.

As for the regulation of information disclosure, the Company fully observes the requirements of the government and regulatory authorities by actively performing its obligations as a listed company of information disclosure on the website of Shanghai Stock Exchange, Hong Kong Stock Exchange, the Company Website, investor meeting or through other channels such as phone call and email to ensure authentic, accurate, complete and timely disclosure, keep shareholders, creditors and other stakeholders informed of the Company's major matters and protect their rights to participate in such matters. In 2023, the Company disclosed 229 documents in total, including 59 interim notices for A shares and 49 for H shares.

2 Shareholders' Meetings

14 Board Meetings of Directors

Disclosed documents 229

10 Meetings of Supervisory Committee

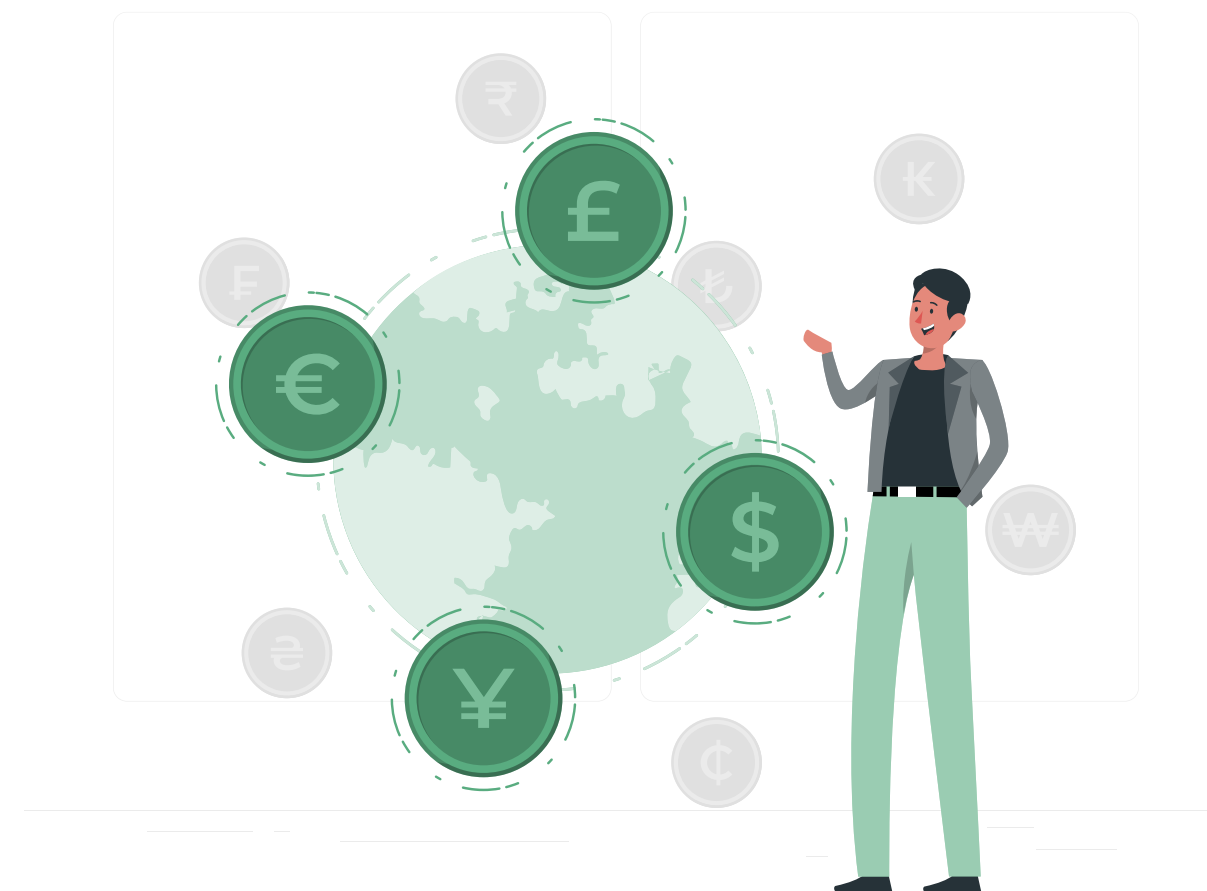
59 interim announcements for A shares

49 interim announcements for H shares

Dividend policy

The Company actively responds to the call of regulatory authorities for higher returns for shareholders by soliciting investor opinions through multiple channels and creating an environment in favor of medium and long-term value investment to share the company's development benefits with shareholders. The Company has distributed a cumulative sum of CNY 8.415 billion of cash dividends for 27 consecutive years, representing a cumulative dividend of CNY 5.1075 per share, enabling the shareholders to benefit from the company's growth.

In 2021, Anhui Expressway developed *Plan of Anhui Expressway Co., Ltd on Shareholders Returns 2021-2023* based on dividend distribution practices in the industry and its conditions. According to the plan, the Company distributes profits in cash within the three-year validity period, which is no less than 60% of the net profit attributable to the parent company in the consolidated financial statements for the current year. In 2023, the company plans to distribute dividends equivalent to 60.05% of the said net profit. The company raises the dividends without compromising its business operation and development as an active response to the call of regulatory authorities and returns to the investors.



ESG Governance

To strengthen ESG management, fully implement ESG management ideas and integrate these ideas into the overall management and operation, Anhui Expressway establishes a three-tier governance structure of the Board of Directors-Strategic Development and Investment Committee-ESG Taskforce, where the Board is designated as the highest organ for ESG management and decision making.

Board of Directors

- Regularly hear the ESG working report from the secretariat of the Board of Directors, supervise the company's overall ESG management and review the annual *ESG Report*

ESG Working Group

- Review the completeness and efficacy of the company's ESG structure, supervise and manage ESG practices
- Supervise and review ESG significance assessment, report major ESG issues to the Board of Directors
- Review the company's annual ESG report for compliance and completeness and recommend specific actions or decisions for Board consideration

ESG Working Group

- Responsible for the preparation and disclosure of ESG reports
- Support the survey plan of substantive issues and provide feedback. Organize relevant functional departments of the company to review data reported by management units

The Three-tier ESG Management Structure of Anhui Expressway

Board of Directors Statement

Responsibility of the Board of Directors

The Board of Directors, as the highest organization in the company for ESG governance and decision making, is fully responsible for ESG strategies and reporting. It participates in the formulation and review of ESG policies and strategic decisions, assesses the significance of ESG issues regularly, analyzes and identifies potential impacts and risks of ESG incidents, monitors major ESG matters that may affect the interests of the company, its employees, customers, shareholders and other stakeholders.

Risk Management

The Strategic Development and Investment Committee is a subordinate organization to the Board of Directors that reviews, supervises and manages ESG-related risk management by identifying and defining major ESG risks, reporting list of major ESG risks to the Board of Directors regularly, and providing ESG risk analysis to support decision making.

Significance Analysis

The Board of Directors participates in the assessment, determination and prioritization of major ESG issues that greatly affect the company, listens to and reviews the progress of major ESG issues promoted by the Strategic Development and Investment Committee based on the external environment of sustainable development, the Company's development strategies, and the communication among stakeholders, prioritizes major issues about the company's sustainable development through discussion, and continuously improves its sustainable development strategies and management policies.

Goal tracking

The Company sets its annual target of energy consumption based on its operation and development strategies. As a part of the company's comprehensive ESG management, the Board of Directors keeps close watch on the progress of the target and reviews the progress regularly.



Communication with stakeholders

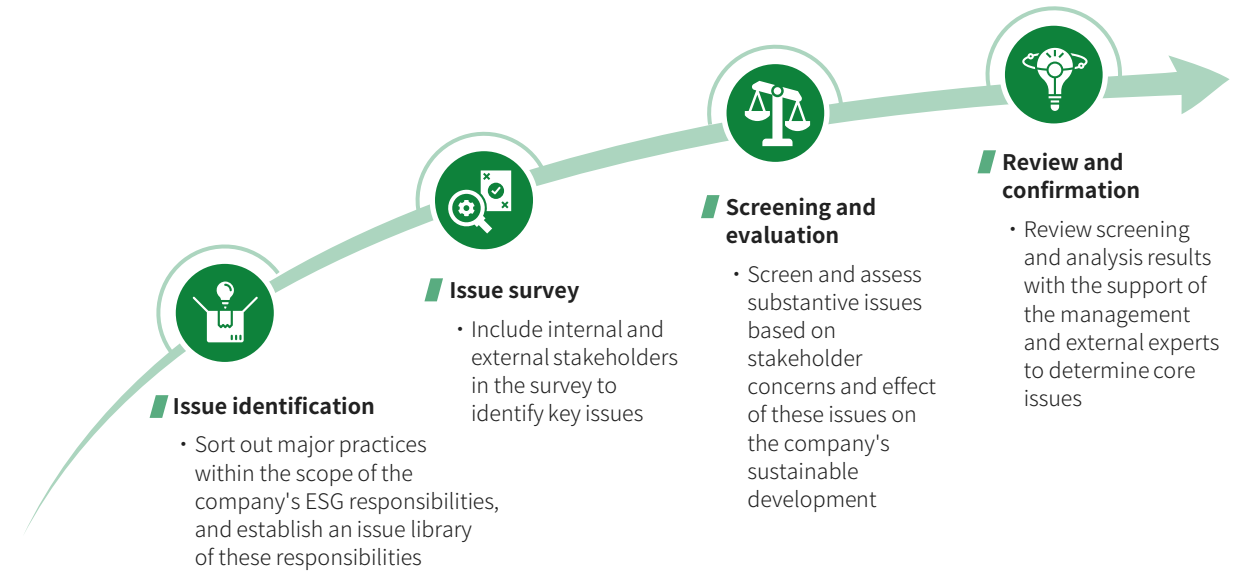
Responsibility of the Board

Anhui Expressway opens various channels of communication to better understand the expectations of stakeholders on the Company's ESG performance, including investors/shareholders, the government and regulatory authorities, employees, customers, drivers, crew members, passengers, road users, communities and suppliers.

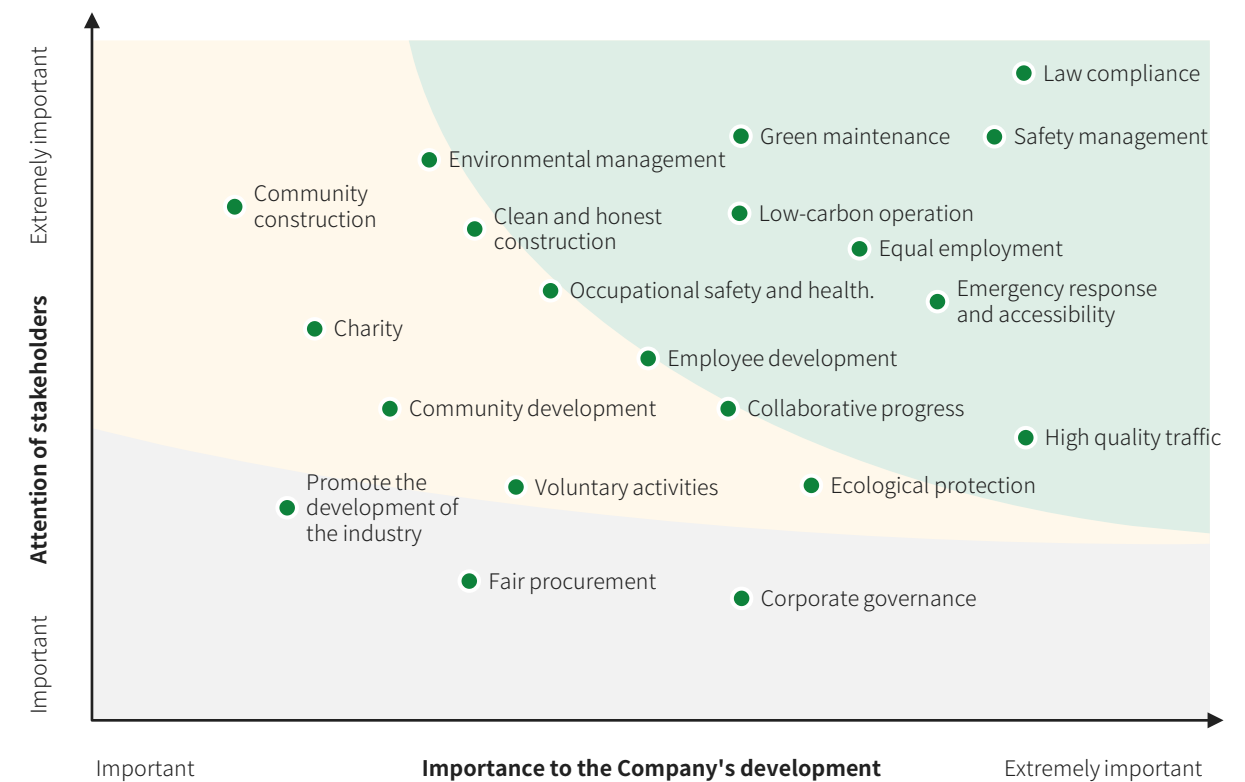
Category of stakeholders	Requests and expectations	Communication channels
Investors/shareholders	<ul style="list-style-type: none"> Better business performance Transparent information disclosure Business Ethics 	<ul style="list-style-type: none"> Shareholders' meeting Holding of performance briefing sessions Regular report and information announcement Exchange visits
Government and regulatory authorities	<ul style="list-style-type: none"> Compliance management according to laws Enhanced risk management Support local development 	<ul style="list-style-type: none"> Regular reporting and communication Working conferences Forums and exchange activities Regular report and information announcement
Employee	<ul style="list-style-type: none"> Career development opportunities Training and growth Performance feedback Providing safe working conditions Balance work and life 	<ul style="list-style-type: none"> Regular meeting Daily communication Regular training Employee activities
Customers / drivers, crew members and passengers / road user	<ul style="list-style-type: none"> Customer experience enhancement Customer complaint addressing Customer privacy protection Transparent and open fee structure Smooth and unimpeded roads Road safety and rescue operations 	<ul style="list-style-type: none"> Customer service hotline Customer service complaint platform Customer satisfaction survey Public disclosure of fee information Public disclosure of road information
Environment	<ul style="list-style-type: none"> Environmental management Green operation Publicity and education 	<ul style="list-style-type: none"> Environmental information disclosure Forums and exchange activities
Supplier/partner	<ul style="list-style-type: none"> Open and fair bidding process Good faith cooperation Regular communication and feedback Win-win development 	<ul style="list-style-type: none"> Electronic bidding platform Business expansion and cooperation Working conferences
Community/public	<ul style="list-style-type: none"> Community communication Public benefit activities of community 	<ul style="list-style-type: none"> Public welfare activities Volunteer services Community construction Information disclosure

Materiality issues

Anhui Expressway actively considers the opinions and expectations of all parties, taking into account the company's actual situation, industry development trends, and sustainable development strategic planning. It has identified and analyzed 20 key ESG materiality issues. These issues have been ranked based on "importance to the Company's development" and "attention of stakeholders", and an ESG materiality issue matrix has been created.



Anhui Expressway's Mechanism for Defining ESG Materiality Issues



Anhui Expressway's ESG Issue Matrix

Risk Management

Anhui Expressway strictly complies with national laws, regulations, and industry standards, adhering to the principles of integrity and lawful operation. The Company continuously strengthens employees' awareness of compliance and promotes the integration of risk management and business operations. Based on relevant risk management systems such as the *Notice of Anhui Provincial State-owned Assets Supervision and Administration Commission on Strengthening the Reporting of Major Operational Risk Events by Provincial State-owned Enterprises* and the *Notice on Issuing the Rules for Reporting Major Operational Risk Events by Provincial State-owned Enterprises*, the Company has formulated internal risk management systems such as the Comprehensive Risk Management Measures and the Operational Risk Event Management Measures to effectively regulate the company's risk management mechanisms and processes.

During the Reporting Period, the Company carried out the "Year of Institutional Construction and Standardization" initiative, revising and improving 204 systems, and was honored with the title of "Advanced Legal Innovation Unit in the Highway Industry for 2023" by the China Highway & Transportation Society.

Risk Management and Identification

The Company continues to improve and strengthen its risk management system, prioritizing proactive prevention as the fundamental principle for developing risk management measures. Currently, we have established and implemented a multidimensional risk prevention and control system that includes follow-up auditing, legal review, and risk monitoring. Through special actions such as promoting a comprehensive auditing "reform," we have further strengthened the internal control system and continuously enhanced the company's risk prevention capabilities. During the Reporting Period, the Company did not identify any new major risks or major risk events.

Prevention of major risks

Use questionnaires for annual risk assessment and prepare assessment report for major risks. Perform regular follow-up and monitoring for 10 "major risks identified in the assessment at the beginning of the year".

Revise and issue List of Whole-process Risk Management Events, perform special risk assessment prior to qualified investment projects, and develop countermeasures based on the results for the company to make informed decisions. Keep monitoring project risks throughout the process and keep close watch at the risk control.

Whole-process risk management of investment projects

Enhancement of risk identification

During the Reporting Period, the company published 15 risk warnings, made response to 1 risk warning from Anhui Transportation Holding Group, and found 1 new major risk event and 3 general risk events.

Build the function indicator library and risk warning indicator system by studying strategic development objectives, key tasks of the year, business development assessment, inspection findings and so on, analyzing all kinds of influencing factors, existing problems and performance risks.

Optimize the risk warning indicator system

Risk management measures of Anhui Expressway

In addition, the Company adheres to the working mechanism of "Unified Leadership, Division of Responsibilities, and Full Participation" in internal control management. In this year, a total of 4 special meetings have been organized, deliberating on 13 issues, to provide accurate references for the company's risk control decisions. To enhance the effectiveness of internal control supervision, the Company has formulated the *Internal Control Evaluation Plan* to standardize the self-evaluation of internal control conducted by the headquarters and its subsidiaries, and to track the progress of remedial measures in each subsidiary.

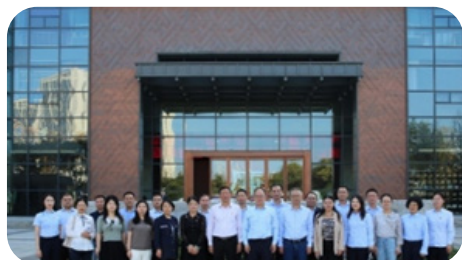
Business Ethics

Anhui Expressway has always adhered to the principles of professionalism, fairness, and integrity, upholding high standards of business ethics and setting strict requirements for the business conduct of all employees. While complying with relevant laws and regulations, the Company continuously improves its business ethics disciplinary system and management processes. It has established internal management systems such as the *Discipline Inspection Commission's Home Visit System for Clean and Honest Construction*, *Measures for the Accountability of "Dual Investigations" by the Discipline Inspection Commission*, *Management Measures for Handling Clues by the Discipline Inspection Commission*, *Interim Measures for Transferring Clues to the Discipline Inspection Commission*, and *Implementation Rules for Handling Whistleblowing and Accusations by the Discipline Inspection Commission*. These systems explicitly prohibit all behaviors that violate business ethics, such as corruption, bribery, monopolies, and unfair competition.

In this year, the Company held a meeting on clean and honest construction and issued the *Anhui Expressway's Key Tasks Decomposition Table for Strengthening the Construction of Clean and Honest Culture in the New Era*. It established a strict supervision and accountability mechanism to regulate the business ethics conduct of all employees, management personnel, and their relatives. During the Reporting Period, there were no significant negative public opinions related to business ethics.

Management visiting the education base for clean and honest construction

This aimed to further strengthen the ideological defense against corruption and prevent any deviation, and to enhance the ability to resist the risks in clean and honest construction and create an atmosphere of integrity. The Company's discipline inspection commission organized mid-level and above management personnel from the headquarters to visit the education base for clean and honest construction in Anhui Province. They received profound and visual education on clean and honest construction and held lectures and discussions on integrity issues such as "violations involving food and beverages."



Visiting the education base for clean and honest construction in Anhui Province



Lecture on clean and honest education



In addition, the Company has established various channels for reporting and supervising business ethics, including posting the "Anhui Transportation Holding Group Supervision" QR code in the clean and honest construction column at toll stations, complaint email addresses, phone numbers, and other means. It has also set up 4 disciplinary inspection teams responsible for the preliminary verification of clues and case filing and review, aiming to improve and strengthen the company's ability to handle complaints regarding business ethics.

Appoint a special commissioner in accordance with the requirements

Appoint a special commissioner to deal with complaints and reports, including registering, managing and responding to them as required.

Real-name reporting will be prioritized for handling.

Prioritize real-name reports and give timely feedback and responses, protect the legitimate rights and interests of whistleblowers.

Keep a ledger for centralized management

Manage the clues in a centralized manner with timely update, regular collation and review, appoint a person to be specially responsible for itemizing these clues for keeping a standard ledger of clues.

Targeted problem solving at symposiums

Establish a mechanism for symposium discussion, in which clues shall be dealt with correctly in accordance with the authority and clue analysis shall be improved.

Process for handling complaints and reports on business ethics incidents at Anhui Expressway

On the other hand, we have developed a strict whistleblower protection system. The personal information of whistleblowers and their report details are strictly confidential, and measures are taken to protect the personal and property safety of whistleblowers and their relatives from being threatened as a result of reporting. Any form of retaliation is strictly prohibited.

An aerial photograph of a multi-lane highway interchange in a rural area, surrounded by green fields and small villages. The image is overlaid with large, semi-transparent green geometric shapes (triangles and a circle) and thin green lines that crisscross the scene. The text 'Environment' and 'Protection of Ecosystem' is positioned on the right side, with 'Environment' inside a green circle.

Environment

Protection of Ecosystem

The Company deeply implements the national "Carbon Peaking and Carbon Neutrality" goals, actively promotes the construction of an ecological civilization, and practices a sustainable development strategy. We are committed to building green and low-carbon highways, integrating energy-saving and emission-reduction concepts into various aspects of daily operations.

Enabling a Green Ecological Environment

The Company strictly complies with relevant laws and regulations such as the *Environmental Protection Law of the People's Republic of China* and has developed internal management systems such as the *Technical Guidelines for Environmental Risk Assessment of Construction Projects* and the *Technical Guidelines for Soil Pollution Risk Assessment of Construction Land*. The Company has earnestly fulfilled its environmental protection responsibilities and imposed comprehensive environmental management requirements on operations. During the Reporting Period, the Company did not experience any penalties due to environmental issues.

Environmental Management System

To continuously improve the quality of environmental management and perfect the environmental management system, the Company has established an environmental management team led by the General Manager, Deputy General Managers, and other senior executives. This team is responsible for the implementation and execution of environmental-related matters. The Board of Directors, as the highest responsible entity for the company's environmental management, oversees the strategic planning and decision-making regarding environmental matters.



Environmental Management Philosophy of Anhui Expressway

Green Maintenance

The Company has been vigorously promoting technologies for green maintenance that are eco-friendly, carbon-efficient, energy-saving, and enable rapid construction. We actively practice the concept of "Prevention + Control, Prevention First" throughout the entire lifecycle of maintenance. We steadily promote the construction of a preventive maintenance technology system and have evolved from traditional excavation-based maintenance to a green maintenance technology system that combines environmentally friendly noise-reducing and drainage thin-layer overlays, anti-skid protection layers, sand mix fog seals, non-excavation grouting, and other preventive maintenance techniques. This significantly reduces the environmental impact and disturbances during maintenance. In this year, the company implemented a plan for preventive maintenance projects with low-carbon and environmentally friendly features on road sections. We carried out a total of 68.68km of preventive maintenance on road surfaces, and reduced road excavation waste by approximately 7,900m³ and carbon emissions by 327 tons, applying more green technologies to highway maintenance.

During the Reporting Period, the Company conducted a special inspection of annual maintenance projects and assessed the ecological environment based on the requirements of the *Environmental Inspection and Assessment Record Form of Anhui Expressway*. The assessment results showed that all operational management units of the company met the environmental requirements.

68.68km of preventive maintenance on road surfaces

reduced road excavation waste by approximately **7,900m³**

reduced carbon emissions by **327 tons**

Establish and complete ecosystem protection organizations and management system for the protection

Establish an environmental emergency system and emergency plans as specified in national regulations, file the plans at the environmental protection authorities and other organs, prevent and control environmental risks.

Determination of environmental pollution emergency (According to *Measures for Environmental Emergency Reporting*, environmental emergencies are divided into material (I), major (II), serious (III) and general (IV) emergency).

Specify the progress of correction of environmental problems and if major environmental problems required to be solved by authorities at all levels are timely corrected and closed.

Specify the performance of accountability by units responsible for ecosystem protection, discharge pollutants in accordance with national regulations and respond to relevant complaints timely.

List of Ecological Environment Inspection and Assessment for Anhui Expressway

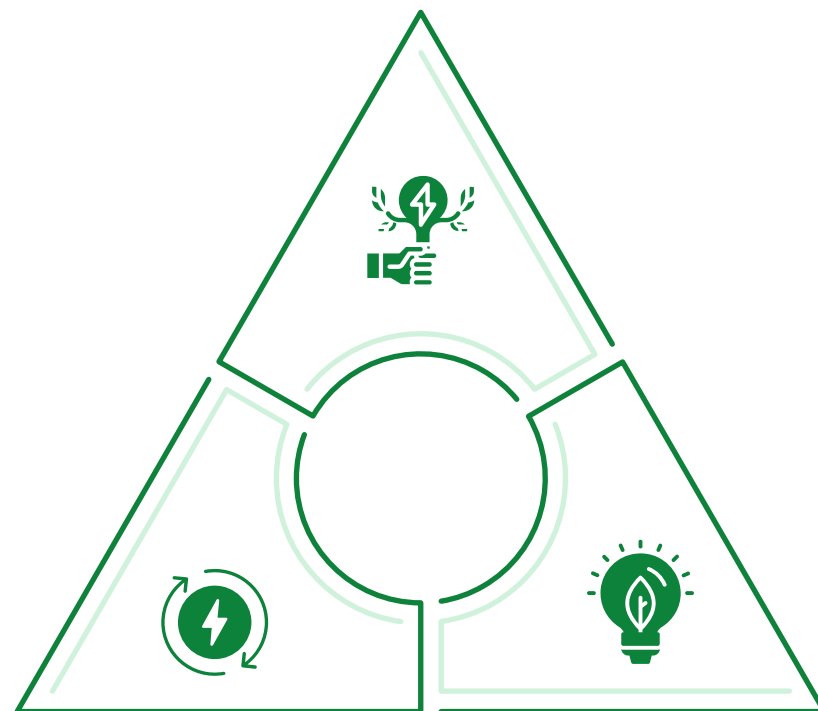
Green Operation

The Company attaches great importance to the responsibility of green and low-carbon operations in office management. We are committed to exploring energy-saving and consumption reduction measures in all aspects and striving for efficient and clean emission reduction methods. In order to implement energy-saving and consumption reduction measures and meet energy management policies, Anhui Expressway has established a leadership group for energy-saving and consumption reduction. Through the formulation of energy-saving and consumption reduction plans, we can implement and monitor the progress of energy-saving and consumption reduction measures in operational processes. In this year, Anhui Expressway invested a total of CNY 51.9491 million in environmental protection funds.

invested a total of CNY **51.9491 million** in environmental protection funds

Promotion and implementation of energy saving

Use slogans and banners in the park and office areas to promote energy saving; leave a special column for energy saving on the company's bulletin board for the purpose of public opinion guidance.



Revision of energy saving management system

Revise energy saving management measures based on the production and operation to make them practical and ensure the efficacy of the work

Keep monitoring and supervising energy saving

Implement strict management measures with quota on the consumption of water, electricity, oil, vehicles and office consumables and promote the reuse of resources, if possible.

Green operation measures of Anhui Expressway

"Embrace Efficiency, Practice Prudence - Virtue in Conservation" and "Low-Carbon Living for a Sustainable and Comfortable Future" environmental promotion activities

In order to effectively promote and fulfill environmental responsibilities, establish a long-term environmental management mechanism, and enhance employees' awareness of energy-saving and emission reduction, the company organized environmental training and promotion activities that cover all employees, focusing on the themes of "Embrace Efficiency, Practice Prudence - Virtue in Conservation" and "Low-Carbon Living for a Sustainable and Comfortable Future," in conjunction with the actual situation of the company's park.

The Company's management has carefully studied and arranged plans for energy-saving promotion weeks and National Low-Carbon Day activities, and updated the relevant management systems for energy-saving and emission reduction in real-time according to the company's actual situation. Through the display of banners promoting "Embrace Efficiency, Practice Prudence - Virtue in Conservation," posting energy-saving and emission reduction cartoons and slogans in display windows, and other methods, we have continuously enhanced the awareness of all employees regarding resource concerns and conservation. The concept and goals of energy-saving and emission reduction have been deeply implemented among all employees.



Water Resource Management

The Company has established internal regulations related to water resources management, such as the *Water Planning and Water Conservation Management System*, *Water Conservation Incentives and Penalties System*, and *Water Metering Management System*. We actively advocate and promote water conservation. In this year, water conservation has overly achieved the goal of reducing water usage by 8,000 tons, saving 10,300 tons of water compared to the previous year.

saving
10,300 tons
of water

achieved a goal of
reducing water usage
by **8,000 tons**

Repave water pipes and fire extinguishing pipes in the park to solve leakage in the old pipeline.

Encourage employees to drink water heated in the drinking water boiler and close the tap timely to avoid waste of water.

Enhance the daily maintenance and management of water supply system and facility in the office area, check taps regularly and replace the old ones to avoid waste of water.

Water Conservation Measures of Anhui Expressway

Upgrade and renovation of water supply facilities

Due to the long service life and severe corrosion of the park's fire protection pipelines, water supply pipelines, and underground pipelines, starting from June 2023, the Company has re-laid and renovated the park's fire protection pipelines and water supply pipelines. A comprehensive inspection of all valves in the park was conducted, and any valves with leaks were promptly replaced. After the completion of the overall renovation, approximately 800 tons of water can be saved per month.



Electricity Use and Energy Management

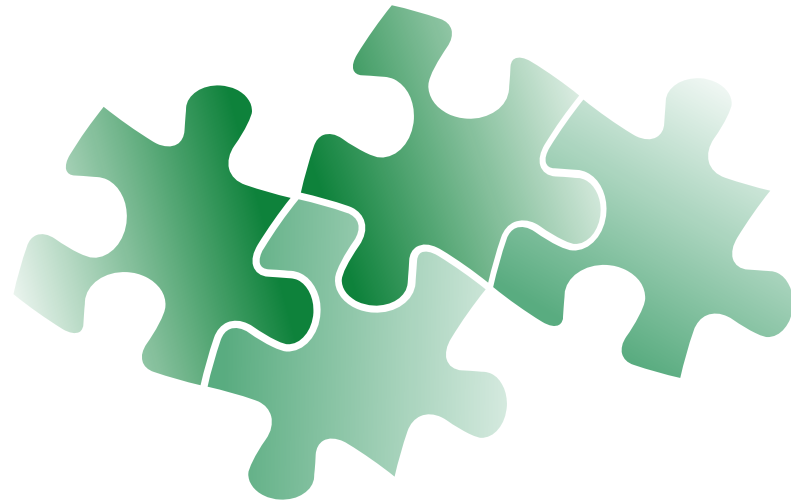
In terms of energy conservation, the Company has established internal management regulations such as the *Regular Maintenance System*, *Quota Management with Incentives and Penalties System*, and *Power Supply and Distribution Management System*. We are committed to saving electricity and implementing various energy-saving and consumption reduction measures. During the Reporting Period, Anhui Expressway saved 302,100 kWh of electricity and 1,319 tons of steam compared to the previous year, successfully achieving the annual energy-saving target of reducing electricity consumption by 200,000kWh and steam consumption by 1,000 tons.

saved **302,100 kWh** of electricity

saved **1,319 tons** of steam

Prefer ecofriendly and energy-saving electrical appliances and equipment and use them to replace the opposite, and actively promote energy-saving and efficient illumination.

Use spaced illumination or avoid the use of illumination in corridors, passages and other areas demanding less lighting.



Require employees to turn off the light and power before they leave the room to avoid constant and unnecessary illumination in day time.

Stream-powered central A/C in the park allows energy saving by controlling the operation time.

Energy-saving and Consumption Reduction Measures of Anhui Expressway

Replacement of office lighting fixtures

During the Reporting Period, the Company strengthened the electricity-saving and consumption reduction awareness of all employees through measures such as posting electricity-saving slogans. Starting from May, the lighting fixtures in the building were inspected, and energy-consuming fixtures such as incandescent bulbs, halogen lamps, and fluorescent tubes were completely replaced with energy-saving LED fixtures. According to the electricity consumption statistics after the replacement, approximately 158,164kWh of electricity was saved in this year compared to the previous year.



Replacement of energy-saving lighting fixtures by construction workers

Reducing electricity costs for operation through the application of new energy power supply

During the Reporting Period, the Company has implemented solar energy solutions to address power supply challenges faced by video surveillance in road sections being expanded, constructed, or renovated. Compared to traditional cable power supply methods, solar power does not require the construction of new box-type transformer substations or cable laying. It has a simple installation process, easy maintenance, and effectively reduces the electricity expenses for operation and production.




Solar power supply for expressways




Resource Management


In terms of office supplies management, the Company adheres to the "Designated Personnel, Centralized Procurement, and Receipt Registration" principles. We have promoted paperless office practices and reduced the use of disposable office supplies.



Standardize the equipment, purchase and distribution of office supplies, apply stringent criteria to choose ecofriendly, quality, cost-effective and energy-saving office facilities.



Make full use of the online office system for general notice, data transmission and so on as long as the Internet service is available, encourage the use of E-mail and other instant communication tools.



Control the circulation of paper documents strictly, make full use of the Internet platforms to reduce paper use, use double-sided printing and make the right number of copies.

In terms of official vehicle management, the Company strictly prohibits personal use of official vehicles. We have implemented centralized vehicle maintenance, insurance, and refueling at designated locations. Additionally, we have prioritized the purchase of energy-efficient and environmentally friendly vehicles. Vehicles that did not meet environmental standards or had high fuel and material maintenance consumption were promptly scrapped and disposed of.

Core indicators	Unit	2023
Direct energy consumption	tons of standard coal	36,793.54
	Data instruction:	
	Direct energy consumption in 2023 includes gasoline, diesel, and natural gas. The natural gas consumption in 2023 is 36,275.59 tons of standard coal.	
	Direct energy consumption in 2022 includes gasoline and diesel.	
Indirect energy consumption	tons of standard coal	3,695.08
	Data instruction:	
	Indirect energy consumption in 2023 includes purchased electricity and purchased steam. The purchased steam consumption in 2023 is 561.56 tons of standard coal.	
	Indirect energy consumption in 2022 includes purchased electricity.	

Core indicators	Unit	2023
Total energy consumption	tons of standard coal	40,488.63
	Data instruction:	
	Due to changes in the statistical criteria for energy consumption between 2023 and 2022, the total energy consumption has increased significantly. If calculated using the criteria of previous years, the total energy consumption in 2023 would be 3,651.48 tons of standard coal.	
Energy consumption density	Tons of standard coal/CNY 10,000 of operating income	0.06
Gasoline usage	Liter	334,000.84
Diesel usage	Liter	132,071.35
Natural gas	m3	27,274,881.52
Water consumption	Tons	413,170.00
Water consumption intensity	Tons/CNY 10,000 of operating income	0.62
Electricity consumption	kWh	25,496,540.00
Steam	Tons	4366.71
Asphalt mixture (hot mix)	Tons	38,142.65
Cement concrete (new material)	Tons	3,327.95
Building stone (new material)	Tons	3,388.91
	Data instruction:	
	The significant increase in the usage of building stone (new material) in 2023 is mainly attributed to:	
	1. Materials used for protective construction under high-speed bridges under the Gaohe-Jiezidun Expressway. 2. Reinforcement of slopes in the Xuancheng-Ningbo and Liqiao-Xuancheng sections under the Ningbo-Xuancheng-Hangzhou Expressway. 3. Hardening of ground surfaces and road shoulders in newly built areas of the Xuancheng-Ningbo section under the Ningbo-Xuancheng-Hangzhou Expressway.	
Building stone (recycling)	Tons	275.88
Snow-melting agent	Tons	2,839.00
Curing agent (bridge maintenance)	Tons	11.54
Paint	Tons	46.47
Steel	Tons	867.54

Responding to Climate Change

Against the backdrop of global climate warming, the Company adheres to the concept of green development and actively implements the national climate change strategy. We have strived to address climate change risks and explore opportunities, taking practical actions to fulfill the national "Carbon Peaking and Carbon Neutrality" goals.

Governance

Building upon the environmental governance framework, Anhui Expressway has further refined and expanded the roles and responsibilities of management personnel, assuming the governance tasks related to climate change. The environmental management team led by senior executives is responsible for implementing and executing climate change risk-related initiatives, with the Board of Directors serving as the highest responsible entity for climate change risk management.

Strategy

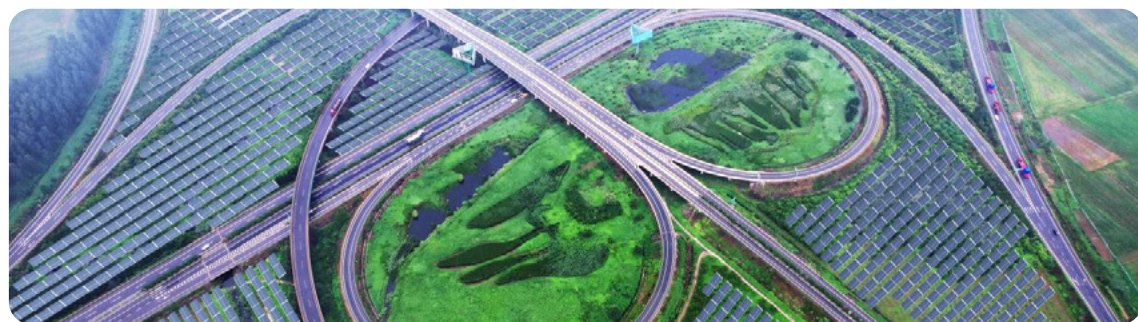
The Company embraces the trend of low-carbon development and upholds a strategy of green and clean development. Considering our operational reality, we have comprehensively analyzed the climate change risks and opportunities that may arise throughout our operations.

Opportunity types	Opportunity descriptions	Countermeasures
Resource efficiency	Promote the use of clean or lower-emission energy and environmentally friendly resources in company operations, effectively reducing resource and energy consumption, and consequently lowering overall operating costs.	Improve usage efficiency by using clean materials and implementing energy-saving and consumption reduction measures. This includes developing plans and annual targets to enhance resource utilization.
Road accessibility	Encourage the company to establish sound emergency plans for road safety and protective measures, effectively enhancing the company's capabilities to ensure road accessibility and reducing the probability of accidents, thus reducing subsequent maintenance costs.	Enhance emergency plans and actively organize training for severe weather emergency plans to continuously improve emergency preparedness and strengthen training for emergency response personnel.

Risk type	Risk description	Countermeasures
Physical risk	Acute risk Extreme weather conditions such as severe cold, earthquakes, typhoons, and freezing temperatures can cause inconvenience for employees' commuting and frequent road safety accidents, thereby affecting company operations, increasing maintenance costs, and reducing operating income.	1. Pay close attention to weather forecasts and meteorological information. Specific personnel are on standby 24 hours a day. Security and maintenance engineers take turns to inspect road conditions and promptly clear any bridge deck frost or ice. 2. Develop emergency plans and early warning mechanisms for extreme weather situations in different regions. Increase investment in emergency facilities and conduct regular emergency training.
	Chronic risk Continuous risks include water scarcity, rising sea levels, and temperature changes.	3. Increase the frequency of inspections on high traffic and prone-to-icing road sections to eliminate safety hazards. 4. Further enhance coordination among roads, traffic police and the company, and optimize measures for handling severe weather conditions such as ice and snow to ensure safety.
Transition risk	Legal and policy risk Domestic and international carbon emission policies and standards are becoming increasingly stringent. The company may face strict scrutiny from government and regulatory agencies regarding emission reduction, leading to increased compliance costs such as taxes, fees, and fines. There are also potential risks related to the costs of carbon assessment, carbon capture, and project suspensions or terminations.	1. Stay updated on and comply with policies and requirements issued by domestic and international regulatory agencies. Optimize the company's internal carbon management framework and policies. 2. Consistently track carbon emissions throughout operational activities, and assess the company's progress and objectives related to carbon footprint.
	Reputation risk The repercussions of climate change could prompt more negative feedback from customers and investors towards the industry, potentially diminishing market confidence and impacting the company's ability to secure financing.	1. Actively engage in communication and exchanges with stakeholders such as customers and investors. 2. Attach importance to and actively participate in domestic and international sustainable development or green and low-carbon initiatives, as well as awards selection processes.

Assisting in the construction of photovoltaic projects to support the development of the new energy industry

During the Reporting Period, the Company actively cooperated with Anhui Transportation Holding Group's Road Network New Energy Co., Ltd. to construct a distributed photovoltaic project on the Anhui section of the Lianhuo Highway Anhui Section. The project has a planned total installed capacity of 21MW and a total investment of approximately CNY 72 million. The project adopts the "Self-use with Excess Electricity Fed to the Grid" model, with the electricity generated primarily supplied to the toll stations along the road. After completion, the annual electricity generation of the project will reach 24 million kWh, equivalent to saving 7,560 tons of standard coal and reducing carbon dioxide emissions by 23,928 tons, contributing to the "greening" of energy consumption on expressways. The company will continue to promote the construction of road-based photovoltaic projects of Anhui Expressway, planning to develop road-based photovoltaic projects on the Hening Expressway and the Yuewu Expressway and thus supporting the transportation industry in achieving the "Carbon Peaking and Carbon Neutrality" goals.



"Greening" the park's energy consumption through recycling initiatives

During the Reporting Period, the Company established a "Photovoltaic + Charging Station" integrated new energy demonstration project in the office park, utilizing a contracted energy management approach in collaboration with Anhui Transportation Holding Group's Road Network New Energy Co., Ltd. The project utilizes the parking lot and roof resources of the park to build 585 kW distributed photovoltaic project and installs 24 new energy vehicle charging stations under the photovoltaic carport. After completion, the photovoltaic system will provide the park with 650,000kWh of clean energy annually, equivalent to saving 205 tons of standard coal and reducing carbon dioxide emissions by 648 tons, thereby improving the overall operational energy efficiency of the park and promoting the company's green and high-quality development.



Risk Management

Anhui Expressway incorporates climate change risk management into its overall risk management process. We have established a climate change risk management mechanism from three aspects: risk identification and classification, risk assessment, and targeted management.

Risk identification and classification

Classify potential risks of each business unit during their participation in the operation, analyze and classify the risks.



Targeted management

Set performance objectives for each relevant unit based on risk types for targeted control of climate change risks.

Risk assessment

Assess the probability of climate change risks and their financial ramifications qualitatively and quantitatively.

Indicators and targets

Anhui Expressway actively participates in addressing climate change. In accordance with the national *Action Plan for Carbon Dioxide Peaking Before 2030* and the requirements of the Anhui Provincial Leadership Group Office for Carbon Peaking and Carbon Neutrality, we have integrated the concept of green and low-carbon throughout the entire management process. We have focused on our core business areas such as maintenance management and toll management. We make scientific decisions and implement them accurately, actively implementing various measures to achieve energy-saving and carbon reduction targets.

Core indicators	Unit	2023
Total greenhouse gas emissions	tCO ₂ e	75,893.47
Greenhouse gas emission intensity	(tCO ₂ e/CNY 10,000 income)	0.11
Direct emissions (scope 1)	tCO ₂ e	60,059.12
Indirect emissions (scope 2)	tCO ₂ e	15,834.35



Contribution to Harmonious Ecosystem

The Company recognizes the importance of the ecological environment for sustainable development. We have promoted the use of environmentally friendly materials, optimized emission measures, and strengthened noise and biodiversity protection efforts, striving to achieve harmonious coexistence with nature.

Wastewater Management

The Company strictly complies with the requirements for compliant wastewater discharge. We have continuously upgraded and renovated sewage facilities at stations and parks, actively connected to municipal sewage pipelines, and invested a total of CNY 9.85 million to complete renovations at 15 sites throughout the year. At the same time, we have optimized and improved the bridge runoff collection system in 13 water conservation districts, collecting bridge runoff into sedimentation tanks for filtering and discharge, with a total investment of CNY 706,800.

Exhaust Gas Management

The Company actively carries out exhaust gas emission management, strictly complying with domestic and international air pollution emission standards and requirements. We have coordinated the control of dust at maintenance and construction sites and implemented comprehensive management of enclosed transportation.



An investment of CNY 206,000 was made this year to install 7 sets of smoke discharging equipment, and exhaust equipment in the canteen kitchen was equipped to ensure complete smoke discharging.



Reinforce the ground beneath the gate valve of the natural gas pipeline in the canteen, rebuild the sandwich penal house to improve the ventilation and air cleaning functions in the equipment room.

Waste Management

The Company actively explores the recycling and utilization of maintenance waste materials and has developed targeted measures for different types of waste.

Disposal of waste highway materials

- Use milling and shaving scraps to fill pits on the roads, use waste guardrails and poles as wall anchors for higher level of resource reuse. Confirm the residual value of metal components valuable but cannot be reused and auction them off.

Disposal of waste office supplies

- Suppliers shall regularly replace hazardous office supplies such as ink cartridges, toner cartridges and lamps, and collect the replaced supplies for centralized and pollution-free disposal.
- Fully abide by the National Plan for the Implementation of Household Waste Classification System in the treatment of kitchen waste of the canteen, collecting and grouping them separately for the centralized transportation by the sanitation department of the city.

Promoting the recycling of waste materials for expressway maintenance

In some sections with soft foundations, slope collapses occurred due to insufficient stability of the support, resulting in shallow landslides, fractures, and slippage in the upper part of the slope. Maintenance personnel made full use of waste wavy beams and slabs by inserting guardrail boards into the slope toe as a foundation for concrete retaining walls, increasing the anti-overturning and anti-sliding stability of the support structure. Compared to traditional methods of dealing with slope collapses in soft foundation sections, this approach achieves energy savings and emission reductions by recycling old guardrail posts. It also reduced the need for concrete pouring, effectively reducing operating costs.

During milling and maintenance operations on expressways, milled waste materials were recycled and partially reused through hot recycling equipment. These materials were used for paving on secondary and lower-level roads, further reducing resource inputs.



Reuse of waste guardrails for slope support and protection



Production of milled waste material hot recycling equipment

Core indicators	Unit	2023
Hazardous waste		
Waste light tubes	pcs	2,766
Waste printers	pcs	1,469
Waste batteries	pcs	2,735
Waste ink cartridges	pcs	552
Recycled ink cartridges	pcs	150
Non-hazardous waste		
Total non-hazardous waste	Tons	2,151.60
Domestic waste	Tons	1,135.66
Kitchen Waste	Tons	1,015.94

Noise Management

In terms of noise management, the Company adopts a comprehensive approach, focusing on noise elimination and addressing complaints.

Quick and effective response to complaints on highway noise

- Appoint specific commissioner to communicate with complainants, take targeted measures to reduce the noise, solve conflicts and disputes with those residing along the roads.



Apply noise reduction solutions

- Promote the noise-reducing combination of sound barrier + noise reducing road surface, complete the construction of noise reduction road surface for 36.08km and 49 sound barriers, and reduce traffic noise by 3-5 dB
- Promote the new type of ecofriendly noise reduction expansion joints developed by the company, which has been approved for marketing.



Biodiversity Conservation

The Company adheres to the concept of "Green Recycle and Low-carbon Development" and actively implements road-based biodiversity conservation measures regularly. We attach importance to preventing and clearing invasive species and have incorporated it into our routine road environment improvement tasks.

Environmentally friendly snow-melting agent

The snow-melting agent traditionally relies on chloride salts for ice melting. The type of agent can cause concrete spalling and exposed reinforcement on the surface of concrete guardrails of bridges along the road. After the snow and ice melt, it flows into nearby farmland, tea gardens, and water conservation districts, leading to environmental pollution and potential harm to vegetation and water bodies along the road.

In 2023, the Company fully promoted environmentally friendly snow-melting agents on all operational road sections. We procured environmentally friendly snow-melting materials compliant with the national standards for chemical substances. This approach minimizes pollution to water sources and soil, effectively protecting the surrounding ecological environment. During winter snow removal operations, we use solid environmentally friendly snow-melting agents with lower chlorine content on regular road surfaces. In water conservation districts and special bridge sections, we use liquid non-chloride organic snow-melting agents. This targeted approach effectively reduces the impact of snow-melting agents on the surrounding environment.

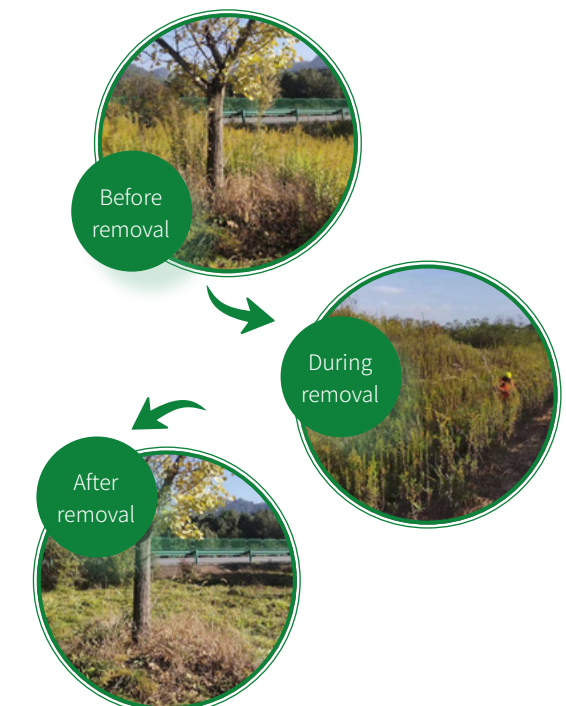
In recent years, the invasive plant species "Solidago Decurrens" has been spreading in our province, causing serious harm to the surrounding ecological environment. To maintain the harmonious development of the ecological environment and create a pleasant road landscape, the Company has required each operational unit to promptly identify and clear the invasive species. We have allocated special funds for greening and routine maintenance, removing weeds and shrubs at least four times per year.

Cut down Solidago Decurrens at intersections of expressways, side slopes, toll station crossings and overpasses and remove them in a centralized manner for destroy to prevent seeds from spreading.

Work with local authorities to control the spreading of the plant. Ningguo Expressway works with the governments of Huangshan City and Ningguo City for removing Solidago Decurrens from the area.

Promote the education about "Solidago Decurrens" to enhance people's participation in the control.

Measures for dealing with "Solidago Decurrens"



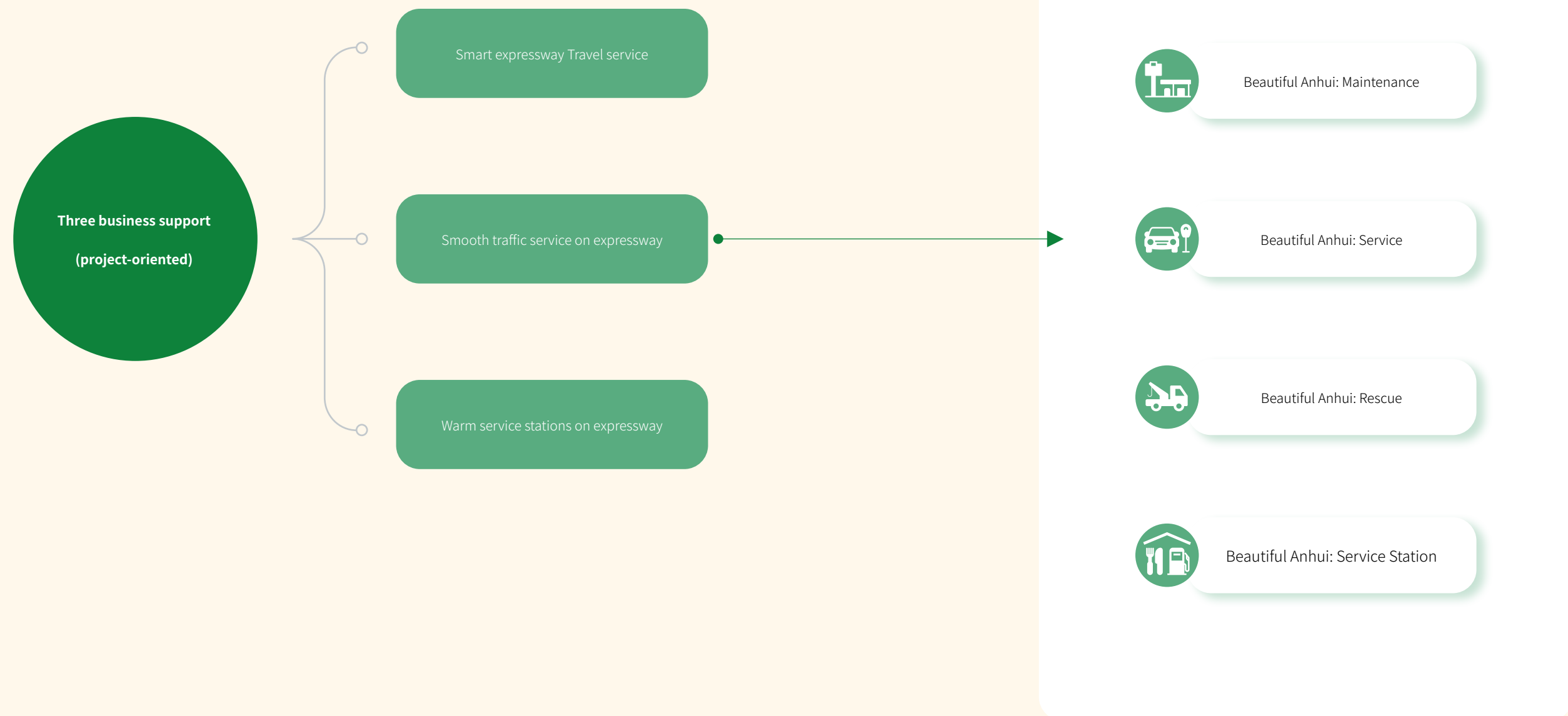


Society

Towards Better Life

Based on the new operation form of "one network" for national expressways, we strive to meet the "expectations of the people" and focus on providing a "smooth, safe, comfortable, and beautiful" travel experience. We have innovatively constructed the "Beautiful Anhui: Expressway" road network travel service system, which deeply integrates core businesses such as expressway toll collection, maintenance, rescue and clearance, and service zone operations. Our mission is to "Pave the Way for a Beautiful Anhui and Accelerate the Pace of a Happy Life," and we are dedicated to providing the people with a new travel service experience of "Beautiful Anhui."

Road network travel Service system (guarding system)



"Beautiful Anhui: Expressway" Road Network Travel Service System

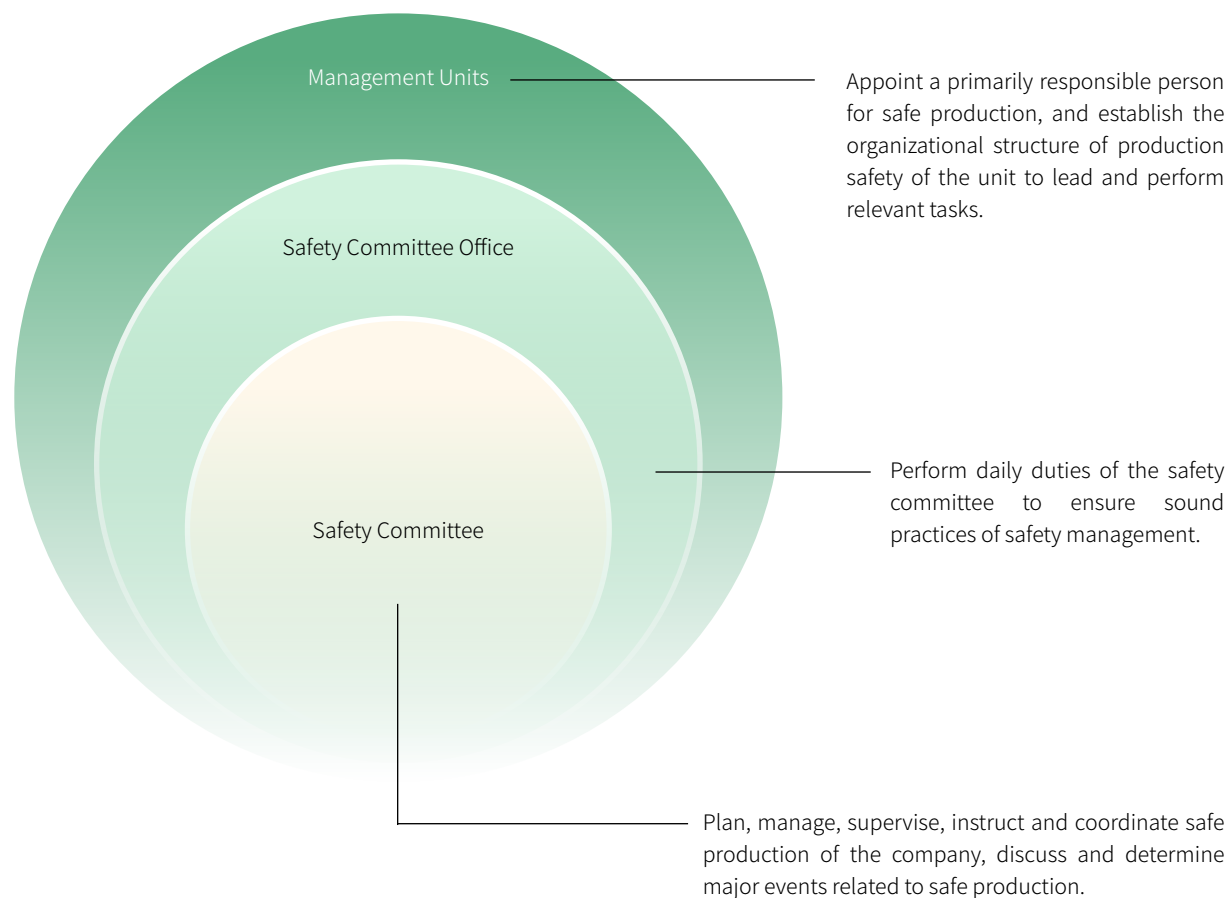
Ensuring Safe and Smooth Roads

The Company always prioritizes "Life First, Safety Foremost" and places great importance on ensuring the safety and smooth traffic flow for the general public.

Safety Management System

We have established a comprehensive safety management system by revising regulations such as the *Work Safety Management Measures*, *Road Property Management Measures*, and *Road Construction Management*. We continuously strengthen safety management to ensure the orderly operation of the company's business.

The Company has established a three-level work safety management structure consisting of the Safety Committee, the Safety Committee Office, and the Management Units. Based on the annual plan, we have implemented the key tasks of work safety and emergency management in an organized manner. Adhering to the principle of "Responsibility to Individuals", we have conducted targeted work safety assessments to continuously enhance the company's safety management level.



Work Safety Management Structure of Anhui Expressway

During the Reporting Period, we continued to promote the construction of the standardized highway operation safety system, and improved the dual prevention mechanisms of tiered safety risk control and management and hazard identification and resolution. We remained vigilant about safety by developing an *Emergency Response Plan* in accordance with the *Work Safety Law of the People's Republic of China* and the Group's contingency plans. We also carried out special safety inspections, flight checks, and hazard identifications to ensure that identified issues and risk points had been promptly and properly resolved, effectively guaranteeing a safe production and operating environment.

We attach great importance to cultivating safety awareness and have conducted a wide range of safety education activities, such as Work Safety Months, regulatory publicity, learning and training, case analysis, knowledge competitions, and emergency drills. These activities continuously enhance the safety awareness of all employees and foster a positive work safety culture.



Safety Education and Training, as well as Emergency Response Drills



Promotional Activities in Work Safety Months

Emergency response drills for bridge incidents in the Hefei Section

In June 2023, the annual emergency drill was conducted at the toll station of new Xinqiao innovation zone on the G40 Hushan Expressway. It was organized by the Hefei Section, in collaboration with traffic police brigade, road administration brigade, as well as departments of rescue, bridge maintenance and inspection within the jurisdiction, to deepen the collaborative management mechanism by improving the emergency response capability.

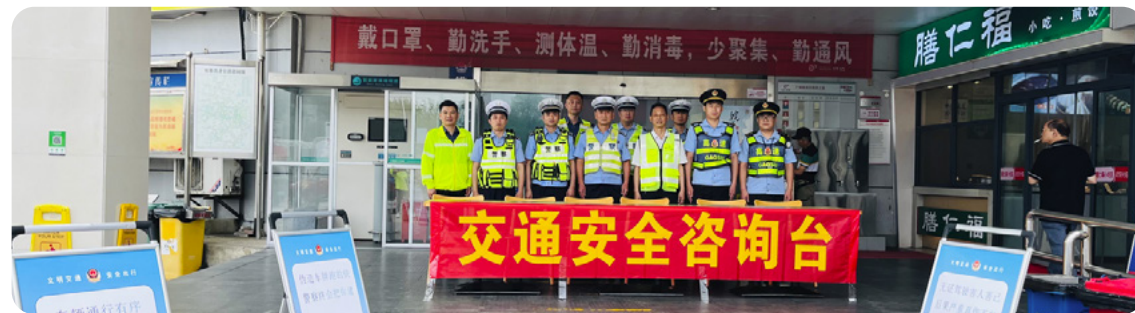
During this drill, a simulated accident occurred at the overpass of the toll station interchange, involving a rear-end collision of vehicles and bridge guardrail impact. Faithfully followed the drill plan, all parties involved kept all works in order, and effectively carried out emergency response, dispatch command, traffic control, clearance and rescue, bridge inspection, and traffic restoration. After the drill, a summary meeting was held where all participants gave a timely evaluation over the bridge incident in the jurisdiction.



The Xuanguang Section actively carried out the "June 16" National Promotion and Consultation Day of Production Safety

On June 16, 2023, together with the traffic police and road administration of the expressway jurisdiction, the Xuanguang Section held the activity of the promotion and consultation day at the Guangde service area as an event of the 2023 Work Safety Month with "awareness of safety, capability of emergency for all" as theme.

During the activity, we set up information desks, answered questions, passed out fliers and free folded fans to passing drivers, crew members and passengers at busy places such as toll station intersections and service area to disseminate safety in production. In the event, we set up 2 promotion booths and 2 banners, distributed over 200 publicity materials, received inquiries from over 45 individuals, and engaged with over 80 participants. We effectively promoted knowledge related to road traffic safety, laws and regulations on safety production, enhanced the public awareness for safety, fostering a favorable atmosphere for social participation in safety production and road protection.



In order to remove ice and snow at full speed for a smooth traffic, we regard the road accessibility and safety as a political task and a livelihood project. All operational units are encouraged to spare no effort to implement effective measures to ensure smooth traffic flow, safety, and service.

Chuzhou Section making adequate preparation against ice and snow to ensure a smooth traffic

In 2023, Chuzhou Section made efficient arrangement of operation route, time and frequency in response to the long and heavy traffic in the jurisdiction, and the large number of bridges, hubs and ramps that are susceptible to freezes. Snow-melting agent was distributed using both mechanical and manual methods based on specific conditions. A round-the-clock operation of removing ice and snow was conducted to make sure no interruption to traffic during snow, no snow on the road once the weather was clear, and no slippery spot after snow. The all-out effort of ensuring the safety and smoothness of the roads under the jurisdiction demonstrated the company's social responsibility and the employees' spirit of tackling difficulties. During the operation, a total of 187 personnel was dispatched, 128 mechanical vehicles were used, 251 tons of snow melting agent were distributed, and over 3,000 safety driving reminder cards were issued.



The Xiaoxian Sub-center carried out a three-party joint snow removal operation

In December 2023, the Lianhuo Highway Anhui Section experienced a widespread moderate snowfall. The Xiaoxian sub-center initiated a snow removal and traffic maintenance emergency plan in response to the extreme weather condition. Local authority, police and managing company collaborated in the joint snow removal operation, where traffic police and road authorities cooperated with the sub-center to guard the equipment on the road. Multi-functional snow sweeper, spreaders, and snowplows were employed for joint and whole-day operation, while more manual operations were adopted on key bridges and interchanges to minimize the impact of icy and snowy weather on traffic as much as possible.



Data by the end of the Reporting Period:

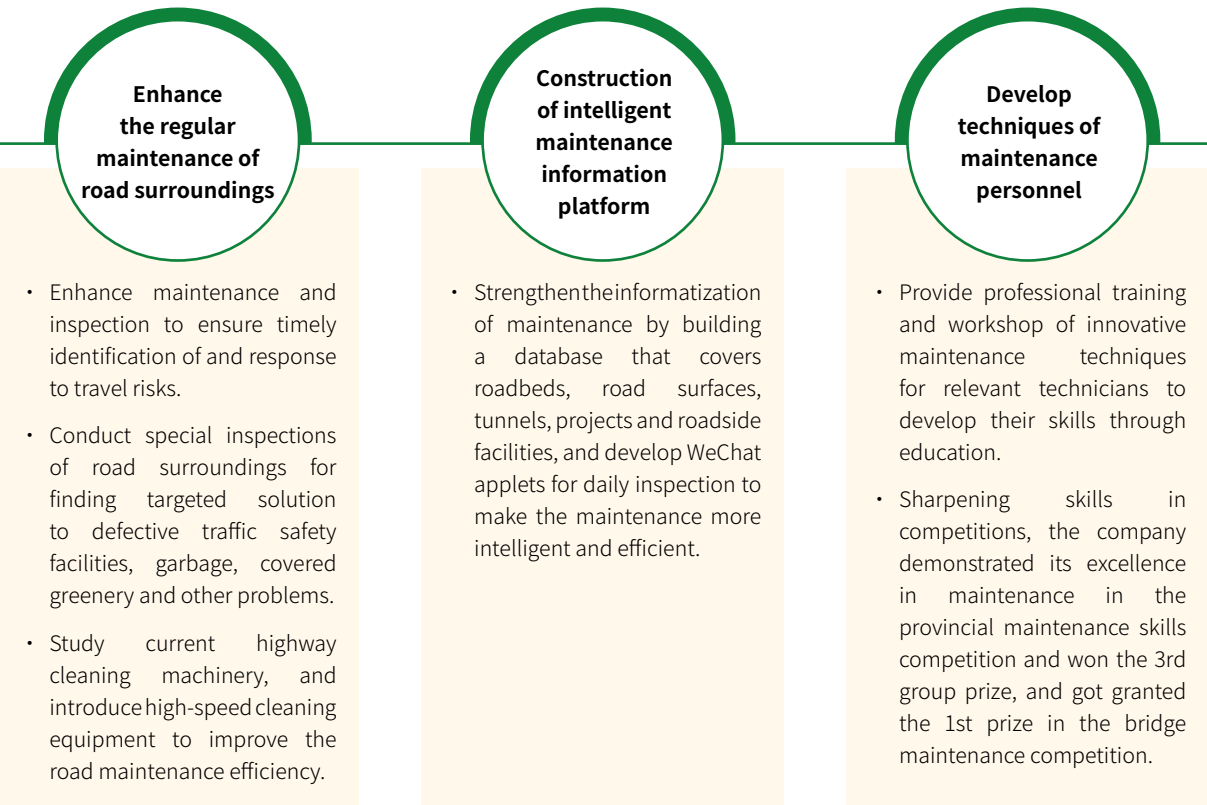




Beautiful Anhui: Maintenance

In order to enhance the quality and efficiency of maintenance, the Company has established management systems such as the *Highway Maintenance Management Measures*, *Highway Maintenance Time-Limited Repair Management Measures*, and *Highway Inspection Management Measures*, all following the principles of "prevention first, combination of prevention and treatment, deliberate decision-making, intension and efficiency", as well as national standards requirements such as the *Highway Safety Protection Regulations* and *Highway Maintenance Technical Specifications*.

Focusing on problem-solving, the Company conducted targeted investigations on technical conditions of roads, improved the demonstration and upgrading of road maintenance plans, and launched special actions on road maintenance quality improvement, all to provide the public with a safe, smooth, and high-quality travel environment.



Capacity-building of Anhui Expressway Maintenance

Refinement of Road Safety Facilities

During the Reporting Period, a special action has been carried out on "refinement of road safety facilities and traffic order management". We have improved traffic safety facilities at 13 accident-prone sections, effectively solved problems such as excessive connection of guardrails, protection of obstacles such as upper span piers and the setting of buffering facilities in diversion sections, creating a safer passage environment for the public.

During this year, the Company has invested a cumulative total of approximately 11.27 million in preventive maintenance funds for road surfaces, which is about twice the investment compared to last year.

Beautiful Anhui: Rescue

Adhering to the principles of "save life first, nearby and rapid rescue, and ensuring safe and smooth passage", we have formulated the Interim Measures for the Management of Vehicle Rescue Services, and created the "Beautiful Anhui: Rescue" model of "self-owned + external assistance + rescue fund". We keep improving emergency response efficiency, providing the Anhui solution for the Ministry of Transport's "Sunshine Rescue" initiative.



During the Reporting Period, we organized and participated in the 4th Annual Conference on Highway Vehicle Rescue Management and Services, the first national "customized" training course on vehicle rescue management and services, and vigorously carried out the "Beautiful Anhui: Expressway" Cup towing skill competition. We are making efforts to cultivate a knowledgeable, skilled, and innovative team for highway emergency rescue, continuously deepening the "Beautiful Anhui: Rescue" model, and safeguarding the safety of drivers, crew members and passengers on the road.



"Beautiful Anhui: Expressway" Cup towing skill competition



Multiple "Beautiful Anhui: Rescue" teams and individuals were commended by the China Highway & Transportation Society.

Action to ensure smooth traffic

We have actively coordinated the "one route, multiple parties" collaborative management mechanism, deepened the implementation of the highway smooth traffic action, making sure the safe operation of the road network. During the Reporting Period, we have enhanced the comprehensive management of road congestion, implemented targeted measures to address congestion in the road network. Road sections with unreasonable speed limit have been fully investigated. Pilot reversible lanes have been introduced with significant results.

"Smooth Flow Action" tailored emergency drill

In order to deepen the Smooth Flow Action of highway, and ensure a safe and smooth travel for the public during the May Day holiday, we held the emergency drill for smooth traffic operation of "One Road One Strategy" on G50 Huyu Expressway Xuanguang Section in conjunction with the Provincial Public Security Department Traffic Police Corps and the Provincial Comprehensive Enforcement Bureau of Transportation.

Multiple scenarios were demonstrated during this drill such as information reporting, traffic control, medical assistance, road clearance and rescue, on-site cleaning, and vehicle diversion. It effectively tested the scientific and operational feasibility of the "one road, one strategy" implementation plan, improving the collaborative operation and emergency response capabilities of "one route, multiple parties" collaborative management mechanism.



Emergency drill for smooth traffic operation of "One Road One Strategy" on G50 Huyu Expressway Xuanguang Section

Safeguard the safe and smooth running of road net during holiday

During the National Day holiday, with focus on key periods, road networks, and links, we spared no efforts to safeguard the safe and smooth operation of the road network by clearing congestion, coordinating with logistics, and carrying out emergency rescue.

We have intensified the "Sunshine Rescue" operation, allocating rescue vehicles reasonably, optimizing the layout of emergency resources. A rapid rescue circle of 50-kilometer radius have been established, comprehensively improving the ability to respond to emergencies on roads during holidays. Meanwhile, we kept the management of "one spot, one policy", strengthened the 24/7 security monitoring, and use measures such as "junction markings" and "reversible lanes" in key road sections to further ensure the safety and smooth traffic flow of the road network.



Ensuring a safe and smooth road network

Providing Convenient Transportation Services

We continued to focus on public demand. While building the brand of "Beautiful Anhui: Service", we stepped up the "Digital+" empowerment innovation project, accelerating the upgrade of service quality to create a better travel experience for more passengers and drivers.

Beautiful Anhui: Service

We have constantly perfected the service system, effectively addressing the urgent and difficult problems encountered by the people in their travel such as road rescue, ETC travel, and one-stop services, and continuously improving service.

Based on the new operation form of "one network, one hotline for high-speed roads", we have built a unified provincial travel information service platform, realizing the integration of 96566 hotline reception, work order of customer service processing, and information release of road condition. At the same time, we have established a comprehensive mechanism to handle customer complaint that can secure their private information, rights and interests, and can ensure timely responses to their demands.

To further improve our service, we have continuously refined specific operational methods for core areas such as fees, maintenance, information, rescue, and service zones, effectively upgrading service management and establishing the "Beautiful Anhui: Service" evaluation system.

Sort out common complaints

68

Conduct a thorough identification of pain points and challenges of travel services, make rectifications

132

Summarize the problems to develop solutions

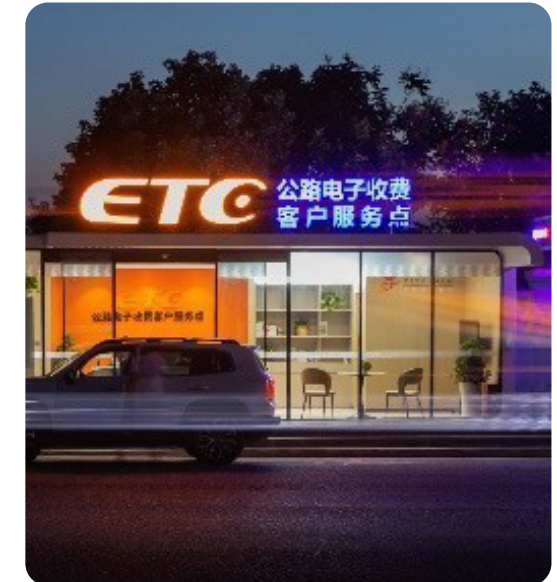
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Evaluation results of "Beautiful Anhui: Service"

Upgrading of convenient service for the public

We have expanded the range and the content handy service for the public, and improved the service by building a service matrix of help desks, ETC service spots, and key node special service desks.

The drive-through help desk provides regular service such as information, external medicine, repair tools, power bank for mobile phone to drivers and passengers. Also, we have carried out renovation projects over ETC service point, turning them into comprehensive, multi-functional service station integrating ETC issuance, driver-passenger post, and volunteer services. This aims to broaden the scope of convenience services and provide a better travel experience for more drivers and passengers.



Upgraded the Integrated Service Station of Chuzhou South Railway Station

Anqing Bridge Management Office's "Smiling Service"

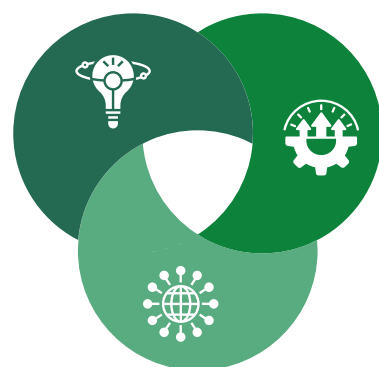
The Anqing Bridge Management Office strengthened service-with-a-smile training to further implement the requirement of "smiling service". With watching videos, on-site teaching by smile service liaison, and psychological counseling training, we effectively mobilized employees' enthusiasm and initiative to actively address any difficulties in their work through timely communication and exchange. In 2023, a total of 11 assembled training sessions were organized by the Smiling Service team, with 40 individuals receiving one-on-one training. All participants received full marks in the group company's assessment. On the other hand, we provide one-on-one targeted training for employees with deficiencies in smile service. Through activities such as psychological counseling, reviewing shift recordings, and observing videos of outstanding personnel, we identified the shortcomings of these employees, and provided solutions to help them improve.



In addition, we have been committed to ensure fair and reasonable charges by revising the *Fee Management Measures*. We have established a sound inspection management system, strengthened the management of green passage for toll-free vehicles. We have proposed work requirements such as the "Nine Prohibitions" for inspection discipline, the "Three Degrees" for evidence retention, and "full coverage" for post-event supervision, standardizing the operating procedures at toll collection sites, strengthening control measures for better quality and efficiency of toll administration, all to create a better and more comfortable travel environment.

Technology empowerment to improve the efficiency of management

- Complete the integrated operation management platform that integrates station-level production systems for intensive management.
- Promote the use of high-tech and intelligent equipment such as card issuing machine and robot cashiers to smooth the roads.



Promote the implementation of preferential policies

- Participate in the formulation of two bylaws, including *Implementation Rules of Toll Reduction and Remission Policies for Passenger Buses on Anhui Expressways (Trial)*.
- Implement new policies of fast passage and differentiated charging in a unified manner.

Complete the inspection management system

- Conduct special inspections on vehicles allowed to passing the fast passage for free to close loopholes and maintain a sound road charging system.
- Trial operation of ETC portal axle type recognition equipment and ministerial audit work order automation processing robots, as well as optimization and upgrading of the AI inspection integration platform.

Anhui Expressway have enhanced the process of service follow-up and supervision, persisted in the first-asking responsibility system, and put time-limit to cases to improve the handling capability of issues like toll disputes in order to take more social responsibility and protect rights and interests of customers. We have coordinated the communication among relevant units (departments), business sectors, passengers and drivers, implemented a multi-level review and verification mechanism to properly handle reasonable and unreasonable demands, and settle conflicts and misunderstandings in timely manner as a way to improve work process and relevant system functions. We have implemented toll reduction policies, striving to increase social satisfaction. No disputes nor effective complains regarding toll fee occurred during the Reporting Period. The total amount of toll fee exemptions amounted to CNY 693 million.

The toll exemption for green channels amounted to approximately **138 million** yuan, with **203,400** vehicles benefiting from the toll reduction.

Holiday exemption of RMB **250 million** for **5,820,600** vehicles

ETC discount of CNY **287 million**, including CNY **174 million** (61% of ETC exemption) for Anhui Truck Transportation Cards.

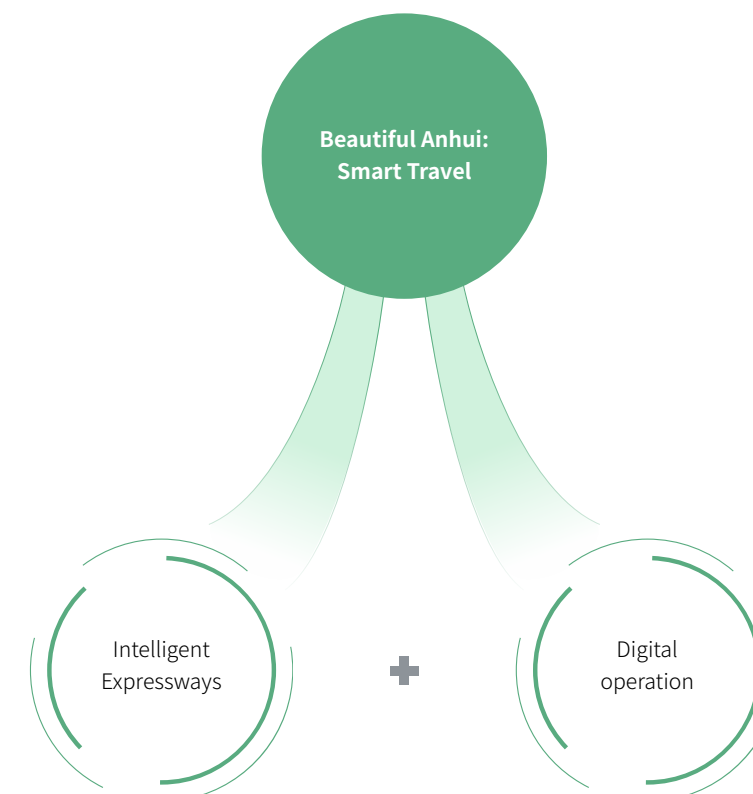
Exemption of about CNY **18 million** in total granted by other preferential policies

Toll Exemption by category

Beautiful Anhui: Intelligent Travel

Based on the vision of "building the national transportation capability and industry benchmarks", we have pushed for the integration of new technologies with road network safety and travel services, making progress in the quality construction of smart highways, and upgrading the industry, operation, management and service with innovation.

We believe that innovation is the primary driving force for business development, and protecting intellectual property rights is protecting innovation. We have strictly stayed in line with the *Patent Law of the People's Republic of China* and *Copyright Law of the People's Republic of China*, and formulated the *Interim Measures for Intellectual Property Management*, which comprehensively manage the entire process of intellectual property application, acquisition, maintenance, and protection to prevent any infringement. During the Reporting Period, we revised and completed the *Science and Technology Project Management Measures*, encouraging employees to participate in innovation and transforming the "key variables" of technological innovation into the "maximum increments" driving high-quality development.



Step up the building of smart expressway

Targeting the goals of "visible, measurable, controllable, and serviceable", we collaborated with the Advanced Technology Research Institute of the University of Science and Technology of China to develop the *Intelligent Highway Development Plan of Anhui Expressway* to constantly promote the security management upgrading construction of Z-shaped Hening Expressway, and sustainably improve the level of intelligent expressway construction. With profound insights and experience in the field of smart expressways, we have participated in the formulation of the first local standard for intelligent expressways in Anhui Province, the *Guidelines for the Construction of Intelligent Expressways*, to boost development of a new operating management model for expressways in Anhui province.

The Construction of Intelligent Toll Station

In June 2023, the quasi-free-flow toll station of the Xuancheng West has been renovated and put into operation. Leveraging the empowerment of six "smart" capabilities, it expanded the content of "Beautiful Anhui: Service" and created a new model for highway operation and management in Anhui province.



The construction of Xuancheng West Intelligent Toll Station

Free flow

The Intelligent toll station provide services in the form of "pre-order at entrance, collaboration of exit ramp free flow, toll collection lanes and cloud monitoring", shortening the ETC operation by giving immediate exit to vehicles that paid while on the ramp.

No setting of booths

The missing of booths and stands gives the station a more capacious and bright space. Drivers would very much enjoy the neat, orderly lanes and the easy passing through.

Unmanned services

Self-service facilities of card distribution and payment are used at the entrances and exits to facilitate unmanned services.

Integration

The layout of lanes and toll equipment are mostly streamlined by using all-in-one device for license plate recognition, barrier gates, fee displays, and foldable screens for information.

Remote operation

The station has successfully achieved a seamless integration of "handheld terminal" devices with the "cloud-based duty platform" system, enabling remote and centralized processing of toll collection services on unmanned toll lanes. This transformation has shifted the traditional "one person per lane" model to "one person overseeing multiple lanes," significantly improving the efficiency of handling special situations and enhancing on-site toll collection management capabilities.

Fronting

We set up the "Beautiful Anhui: Smart Travel Booth" at the exit square, which provides full toll service, making the "Beautiful Anhui: Service" diverse and up-front. In addition, the smart toll station is featured with Anhui characteristics. The design was inspired by Huizhou culture, formed a distinctive image of "Hui style with Anhui charm" to demonstrate the brand culture of "Beautiful Anhui: Expressway", so that the brand "Beautiful Anhui: Service" can be seen, touched and felt.

Overcome obstacles in digital operation

We actively developed various application scenarios, tackled challenges in the field of digital operations, and steadily built an integrated highway network data resource system. During the Reporting Period, projects such as the tunnel integrated management and control platform and the operation integration management platform were successfully completed, the network security defense line was continuously strengthened, and the digital operation capabilities were continuously improved. Our "two systems" optimization and improvement construction project and the highway AI inspection integration platform were selected as "typical cases of highway digital transformation in 2023" by the China Transportation and Communications Association, demonstrating our resolute progress on the path of technological innovation enabling digital transformation.

Adopting digitization tools assist in the external inspection work of highways

In 2023, the Company conducted special inspections on vehicles evading tolls for container transportation and green corridor toll-free vehicles, effectively plugging the loopholes for toll evasion. This year, we assisted the public security organs in pushing forward the handling of three malicious toll evasion cases, continuously consolidating the toll collection order of the road network, and effectively safeguarding the legitimate rights and interests of highway operators.

During the Reporting Period, our typical cases of plugging loopholes and combating toll evasion were selected as the "Classic Toll Audit Cases of the Year" for the national highway network and the "Typical Cases of Toll Collection Operation in the Third Quarter of 2023". We have repeatedly introduced our inspection and management experience at national highway inspection and management conferences



Enhancing Supply Chain Management

It is crucial for us to build an efficient, stable and responsible supply chain for the Travel Service System of "Beautiful Anhui: Expressway". We have improved the supplier management system, formulated management documents such as the *Basic System for Tendering and Bidding Management*, and further standardized the competitive mechanism of fair, just, and open tendering, creating a safe and beautiful road environment along with suppliers. As of the end of the Reporting Period, the distribution of all 77 suppliers is as follows:

ESG indicator	Quantity
All suppliers	77
Suppliers of Chinese mainland	72
Suppliers of Hong Kong, Macao and Taiwan	5
Oversea suppliers	0

Supplier Access and Evaluation

We established a comprehensive tender procurement platform and a full-process supplier audit system. After systematic evaluation and comprehensive comparison, we select high-quality suppliers with qualified qualifications, outstanding capabilities, and excellent services to build a strong supply chain system together with suppliers. We also encourage suppliers to use more clean and environmentally friendly materials, and actively urge upstream and downstream enterprises in the supply chain to fulfill social responsibilities.

Supplier review

Establish a whole-process supplier review system to review those participate in bidding on the platform. The thorough review system assesses and compares supplier competence from all aspects and covers the entire process from bidding contract signing, reporting, review to the final grant.

Supplier rectification

Require suppliers to plan rectifications for problems and risks identified and implement the plan, and follow the progress.

Supplier exit

Terminate cooperation with suppliers found to be unqualified with constantly poor performance in evaluations and failed to make timely rectifications.

Supply Chain Risk Management

We are committed to building a sustainable supply chain by incorporating ESG factors such as business ethics, labor rights, and environmental management into our supply chain risk management system. Prevention and response measures for different risks have been developed to ensure the stable operation of the supply chain.

Environment

- List environmental protection measures as a prerequisite in construction bidding documents and a preference in contractor selection for some key construction projects.
- The Contractor shall excellently perform ecological protection and soil and water conservation during the construction process in strict accordance with the requirements of relevant national laws and regulations. Minimize the change caused by the construction to the ground and damage to the vegetation.
- Contractors are required to abide by national regulations of energy saving, emission reduction and environmental protection, including recycling and reusing milling and shaving waste of bituminous concrete in accordance with the drawings, and develop their own measures of scrap recycling to ensure the full utilization of these materials.

Society

- To ensure work safety of projects with high occupational health and safety risks, suppliers are required to provide licenses of safety operation, proof of accident insurance policies and other documents.
- Contractors are required to provide necessary meal & accommodation and living environment in conformity with the environmental protection and sanitation requirements for its personnel, and also furnish necessary injury& disease prevention and treatment as well as emergency medical personnel and medical facilities at the construction site far away from the town.

Governance

- Suppliers are required to adhere to business ethics by signing the Integrity Agreement to prevent relevant risks.
- Credit evaluation is carried out on suppliers to keep market behaviors legal and orderly.



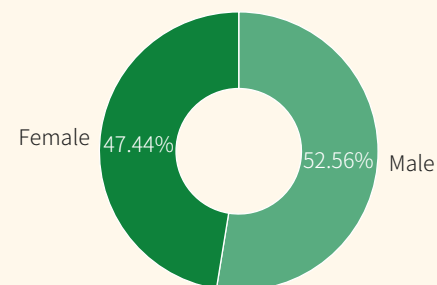
Supporting Employee Growth

Anhui Expressway believes that talents are the core driving force for the long-term development of the company. We have been improving our recruitment mechanism, safeguarding the rights and interests of employees, and strives to create a fair, harmonious, and inclusive working environment, aiming to achieve a win-win development for employees and the company.

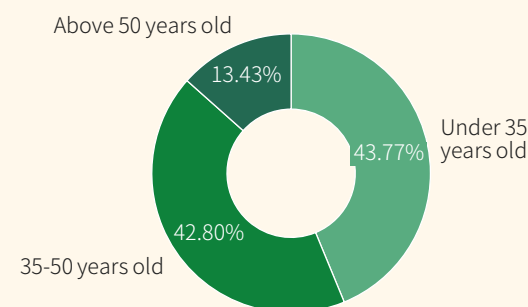
Employment

Always putting people in the first place, we have strictly complied with the laws and regulations such as the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*, and formulated internal management systems such as the *Employee Recruitment Management Measures* as a way to maintain recruitment process and standards, and the principle of equal employment. We have opened up various recruitment channels such as campus recruitment, social recruitment, and outsourced recruitment provided by cooperation labor service companies. As of the end of the reporting period, the total number of employees of the Company was 1,940.

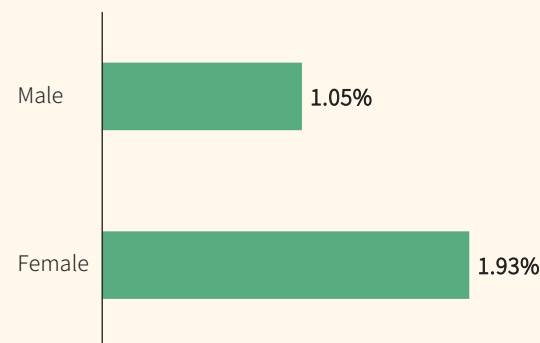
Percentage of employees by gender



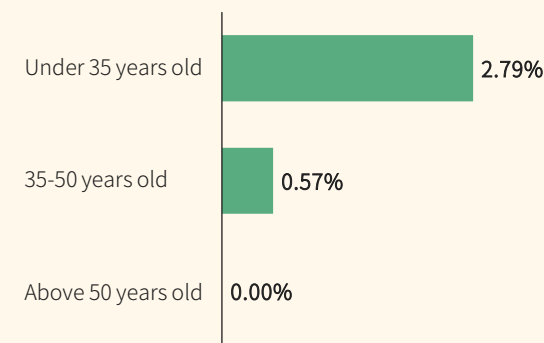
Percentage of employees by age



Employee turnover rate by gender



Employee turnover rate by age



In addition, Anhui Expressway strictly follows relevant domestic and international standards regarding work hours, working environment, and vacation in labor relations, and promises to strictly prohibit any occurrence of child labor and forced labor.

Avoid child labor

- Clear requirements of academic qualifications and ages have been made in Measures for Recruitment to avoid child labor.
- Plan management and record management are adopted. Recruitment plans are submitted to the HR department for review in advance. Materials during recruitment are documented in time to increase the orderliness and seriousness of recruitment.

Avoid forced labor

- Optimize the pre-recruitment process, protect personal data of the candidates and fully respect their expectation of posts.

Employee Rights and Interests

With full respect and unwavering determine to protect the rights and interests of employees, Anhui Expressway have made policies of the *Employee Leave and Overtime Management Measures* and *Employee Attendance Management Measures* to guarantee the legitimate rights and interests of employees to rest and take leave.

We have also strictly complied with the relevant laws and regulations such as the *Trade Union Law*, *Constitution of Chinese Trade Unions*, *Regulations on the Administration of Democratic Administration of Enterprises in Anhui Province* and *Implementation Measures for the Income and Expenditure Management of Grassroots Trade Unions in Anhui Province*. Taking into account the situation of the company and the building of the internal control system, revisions have been made to 5 democratic decision-making systems such as the *Interim Measures for the Management of Trade Union Funds Income and Expenditure*, *Interim Measures for Labor Competition Management of Anhui Expressway Company*, *Interim Measures for Public Management of Anhui Expressway Company*, *Interim Measures for the Management of Trade Union Member Representative Congress*, and *Interim Measures for the Management of Staff Representative Congress*, as a way to fulfill the concept of democratic enterprise management. The employee union membership rate reached 100% this year.

In terms of collective contracts, we have regulated employment and developed collective contracts in accordance with the *Labor Law of the People's Republic of China*, covering 16 agreement contents including wages, working hours, labor contract management, rest and leave, work safety and health, insurance and benefits, female employee protection, vocational training, rules and regulations, rewards and penalties, labor dispute resolution, and modification of contract. During the Reporting Period, the signing rate of collective labor contracts among employees reached 100%.

When it comes to diversity and equality, we highly value the labor rights of employees of female, physically impaired, ethnic minorities, and employees from different countries. We are against all forms of workplace discrimination and harassment, ensuring equal treatment regardless of age, gender, nationality, religious background, and physical condition.

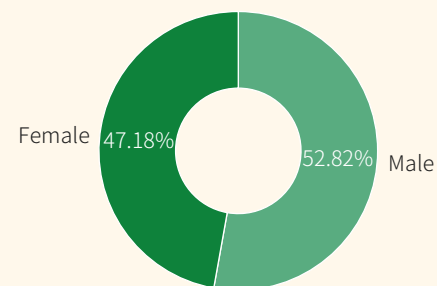
Salary Incentive

We have adhered to the principle of equal pay for equal work and gender, and provided all employees with competitive salaries in the industry. Meanwhile, we have found the *Interim Measures for General Manager Incentive Fund*, as improvement of the incentive mechanism, to motivate teams and individuals that are innovative, outstanding or contributive in their day-to-day work to keep them proactive. During the Reporting Period, 28 outstanding teams and 24 individuals were awarded, with a total bonus of CNY 266,000.

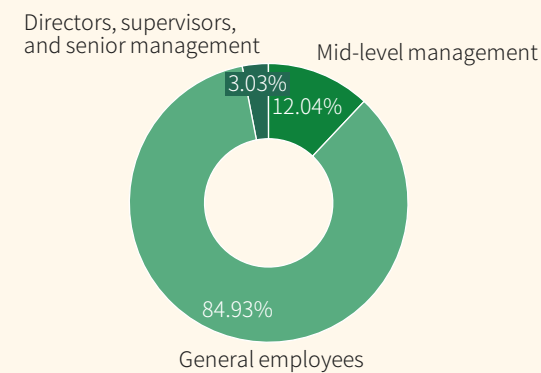
Employee Training

Since we have attached great importance to employee's career development and professional skill enhancement, we have implemented a talent strategy by upgrading the mechanism and career path for talent development to support business growth.

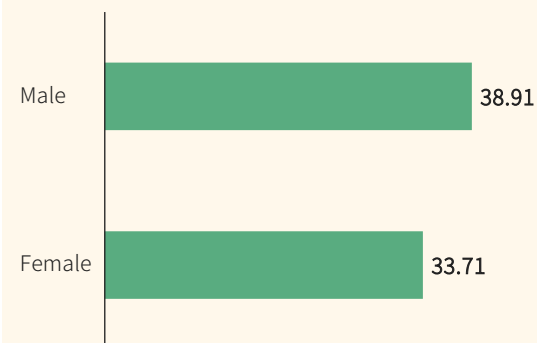
Percentage of trained staff by gender (%)



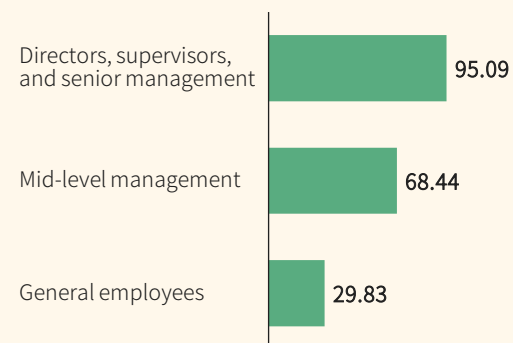
Percentage of trained staff by rank (%)



Average hours of training by gender (hours)



Average hours of training by rank (hours)



Project plan of Anhui Expressway junior employee training course

This year, Anhui Expressway worked out the project plan of training course for junior employees based on their characteristics. In order to provide sustainable workforce for the company's long-term development, it was aimed to nurture the younger employees into business backbone through practices such as job rotations, mentorship programs, and small-class teaching, and by special training, seminar, book sharing, field trips, and case study.



Meanwhile, human resources of the Company have formulated assessment methods of trainings, give regular evaluation on routine activities, and incorporated the results into the annual assessment.

We also came up with the "Youth Talent" Management Measures. The long-term training for the first group of "Youth Talent" have begun, including 100 basic, 60 top-notch, 29 core and 10 outstanding employees. The talent echelon system has been stepped up, stimulating the innovative and productive vitality of talents.

100
basic
employees

100
top-notch
employees

29
core
employees

10
outstanding
employees

Employee Promotion

Anhui Expressway has introduced the employee career paths and development systems to broaden the career growth space and promotion channels. It is aimed to improve the talent-selecting mechanism for all positions, fully stimulate the vitality of the employee team, and achieve the sound integration of employee career growth and company development.

Three channels of promotion have been set at the headquarters, including management, professional technical, and skilled worker positions, each corresponding to their respective job levels.

Management

- A hierarchy of 5 levels (senior manager, junior manager, senior supervisor, supervisor and staff) consisting of positions at 26 sub-levels is set as the path for employees to be promoted to different managerial positions and levels according to the *Career Path for Employees*.

Ground skilled staff

- A hierarchy of 6 levels (senior technician, technician, senior worker, medium-level worker, junior worker, worker) is set as the path for employees to be promoted to different position levels, which are linked to different technical levels.



Professional technical

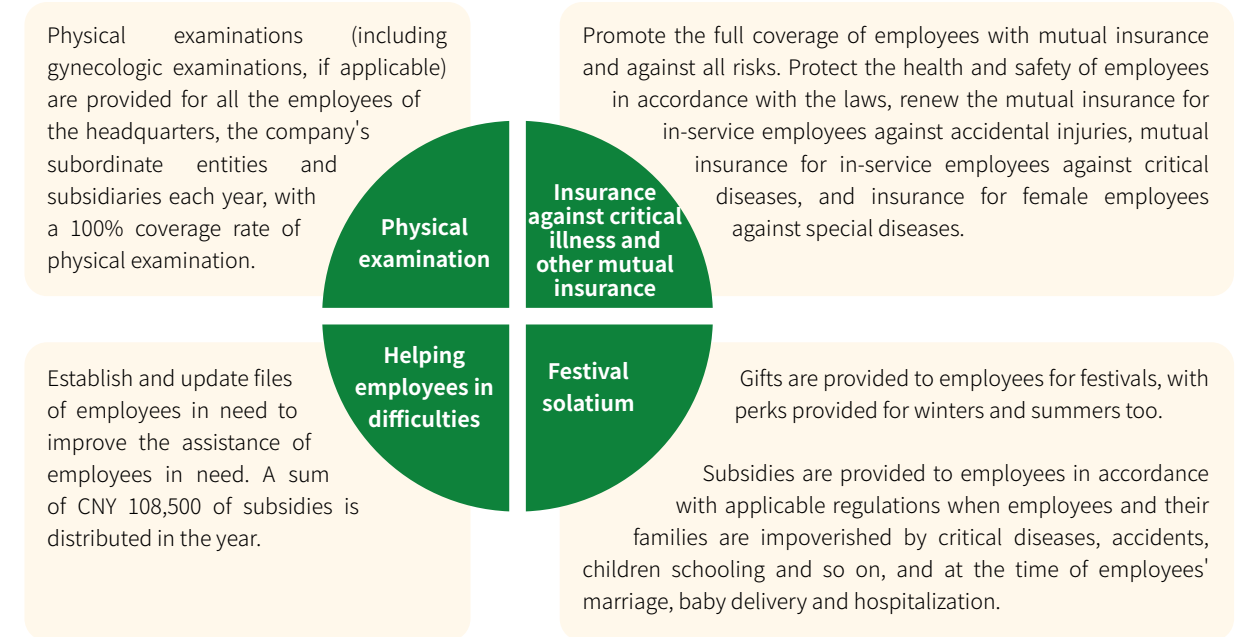
- A hierarchy of 6 levels (senior technical expert, junior technical expert, senior technical head, medium-rank technical head, junior technical head, and staff) consisting of positions at 26 sub-levels is set as the path for employees to be promoted to different technical levels according to the *Career Path for Employees*.

For management office, we have established a smooth career development channel, providing employees with ample opportunities and space for advancement. After years of practice and improvement, we have gradually formed a professional promotion management system with *Administrative Measures for Executive Staff*, *Professional Technical Position Duty Management Measures*, and *Skill Talent Management Measures* as its core. This system defines the qualities and selection criteria for employee promotion, encourages healthy competition among employees in a fair, open, competitive, and merit-based manner, in pursuit of an orderly talent mobility.

Employees of the management unit are divided into following four sequences according to their positions: management, professional technique, fee-based, and general support positions. Guided by the *Administrative Measures for Executive Staff*, promotion order is determined based on employees' education background, abilities, and performance evaluations. The selection mode adopts the principles of "selecting the best candidate, strict assessment, and term management," while the determination of job positions follows the principles of "total quantity control and dynamic management." Professional and technical personnel's adjustments and career advancements are decided based on the appointment situation and business demands.

Employee Care

Anhui Expressway has maintained good communication with employees. We have been providing diversified benefits and caring activities, as well as humanistic care and assistance to employees. We give adequate respond to the needs of employees to enhance their sense of belonging.



In terms of caring for female employees, we have held plentiful activities combining female right protection and the event of International Women's Day.



Care Measures for Female Employees of Anhui Expressway

In terms of caring for employees' children, we attach great importance to the well-being of employees' children. In addition to the heart-warming activities on Children's Day every year, we also pay visit and offer holiday blessings to children of employees in need as part of the "Do Something for the Staff" activity. During the Reporting Period, the Company carried out the "Golden Autumn Scholarship" assistance program for children of employees in need, providing a total of 40,000 yuan in subsidies and condolences.

Meeting Community Demands

We have regarded dedication as the responsibility and sentiment of our company, and valued the well-being of the community. We have participated in many social public welfare activities, and supported community development through leveraging our own advantages.

Social welfare

Anhui Expressway has organized and led a volunteer team composed of "management + young employees" to participate in community service activities, promoting the spirit of volunteer service of "dedication, friendship, mutual assistance, and progress." During the Reporting Period, the "Beautiful Anhui: Expressway Youth Volunteer Service Team" was awarded the Outstanding Organization of the 14th Anhui Youth Volunteers, with approximately 8,970 person-times participating in voluntary service activities.

The Warm-Winter action: guarding travel safety

The Youth Volunteer Team proactively provided handy services to passengers and drivers on snowy days, ensuring the safety and smooth operation of the highway network within this Reporting Period. More than 5,000 young volunteers and over 100 youth commandos have been appointed at the call of weather, to remove ice and snow on the road with vigor and enthusiasm to safeguard safe and smooth running in spite of the low temperature, demonstrating the "Anhui speed". The volunteers wearing "volunteer red" in the wind and snow have become the warmest color of the Spring Festival travel rush, receiving unanimous praise from mainstream media and society.



Young volunteers clearing the remaining snow

The Hot Young Blood voluntary blood donation

On October 20, 2023, our Youth League Committee, in conjunction with Yida Company, Maintenance Company, and several other units in the park, jointly launched the "Hot Young Blood" voluntary blood donation activity. Over 50 volunteers signed up for participation.



Young volunteers standing out to safeguard the pleasant travel during Mid-Autumn and National Day holidays

In order to meet the challenge of rapid growth of traffic on expressways during such as the Mid-Autumn Festival and National Day holidays, Anhui Expressway took actions to ensure the smooth travel for the public.

During these holidays, the youth organizations at all levels arranged a total of 328 volunteer service activities, with more than 3,900 volunteers participating. While frontline operational staff were determined to ensuring smooth road traffic, they also provided warm-hearted, round the clock service, and carried out themed volunteer service activities such as "I am on duty during National Day." They sent sincere holiday greetings and caring "Beautiful Anhui: Service" to passengers and drivers.



The event of "Caring for stay-at-home children with sincere love"

In 2023, the Xiaoxian Sub-center organized a volunteer service team to visit nearby schools as part of the event of "Caring for stay-at-home children with sincere love". The team visited Oupan Primary School with care for stay-at-home children there. They brought over CNY 800 worth of extracurricular books, school supplies, sports equipment, and holiday gifts to the school and kids. Volunteers also introduced safety knowledge such as drowning prevention and traffic regulations to students, and engaged in sports and games with children, bringing sincere care to children through these activities.



Rural Revitalization

Anhui Expressway has been closely followed the national strategy of rural revitalization, focusing on key tasks such as fulfilling responsibilities, ensuring basic tasks, increasing income continuously, developing industries, assisting in employment, rural construction, and rural governance. Adhering to the principle of "maintaining the bottom line, boosting development, and facilitating revitalization", we comprehensively pushed for the rural revitalization and regional coordinated development. During the Reporting Period, we invested a total of 3.3116 million in rural revitalization. This year, we launched targeted assistance procurement activities and expanded our assistance areas to include Xinjiang, Tibet, and other regions, contributing our Wantong strength to the economic development of the recipient villages and regions.

Assistance to Xinjiang and Tibet

- Xiaoxian Branch actively supported the assisted sales of agricultural products, and purchased a total of CNY **71,100** of agricultural products and byproducts from Tibet and Xinjiang.
- Hefei Branch purchased **1,059** nut gift boxes from Xinjiang marketing agency in Anhui at a total price of CNY **317,700**.

Assistance to Mamiao Village, Taihu County

- Xuanguang Company purchased over **4,200** kilograms of beef as a marketing assistance to the village at a total price exceeding CNY **250,000**.
- Hefei Branch purchased **52** kilograms of green tea at a total price of CNY **20,100**.
- Chuzhou Branch purchased agricultural products from Mamiao Village, Taihu County (the paired assistance county) at a total price of about CNY **400,000**.

Assistance to Fangji town, Funan County

- Ningguo Branch purchased sesame oil, sesame paste and other products amounting to CNY **86,100** from the town in the year.

Assistance to Yingshang County

- Hefei Branch purchased beef worth CNY **374,500** from Yingshang County.

Assistance program at Lishu Village

In 2023, under the correct leadership of local government and the company, and the guidance of business-related departments at all levels, we continually launched targeted assistance program in Lishu Village. A total of CNY 600,000 was invested throughout the year to boost the improvement of infrastructure in 45 village groups and the living environment in rural areas. We have practiced the dynamic monitoring and early warning method of "three-line parallel" involving farmers' independent declaration, screening comparison, and on-site visits. This method aims to include households at risk of returning to poverty or facing severe sudden difficulties into the monitoring scope. Following the principle of "addressing specific needs accordingly," we implement assistance measures such as pairing employees for support, providing minimum living allowance, and temporary assistance, all to eliminate the risks of returning to poverty or falling into poverty. In 2023, a total of 8 households with 20 people in the village were classified as the "three objects" under monitoring. Among them, 7 households with 24 people have already eliminated the risk of falling back into poverty. Assistance and support have been provided to everyone who needed it.



In terms of industrial assistance, a total of CNY 151,000 was allocated for industrial development assistance throughout the year, and 5 assistance projects have been launched. By expanding the upstream channels of agricultural products and cultivating new varieties of characteristic agricultural products, the quality of products from village-owned agricultural processing plants has been improved, leading to cost reduction and efficiency increase.

In terms of employment assistance, we have applied to establish the "Yiye Workshop" in Taihu County, where we set up 30 public welfare positions and hired 130 poverty-alleviation personnels (including monitoring subjects) of both full-time and temporary, help impoverished people find jobs near their homes.

Appendix

HKEX ESG Indices Guidance

Environmental, Social and Governance Reporting Guide - Content Index		Chapter
Environmental		
Aspect A1: Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	2.1 Enabling a Green Ecological Environment 2.3 Contribution to Harmonious Ecosystem
	A1.1 The types of emissions and respective emissions data.	2.3 Contribution to Harmonious Ecosystem
	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).	2.2 Responding to Climate Change
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	2.3 Contribution to Harmonious Ecosystem
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	2.3 Contribution to Harmonious Ecosystem
	A1.5 Description of emission target(s) set and steps taken to achieve them.	2.1 Enabling a Green Ecological Environment
		2.2 Responding to Climate Change
		2.3 Contribution to Harmonious Ecosystem
	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.	2.3 Contribution to Harmonious Ecosystem
	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	2.1 Enabling a Green Ecological Environment
	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).	2.1 Enabling a Green Ecological Environment
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	2.1 Enabling a Green Ecological Environment
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	2.1 Enabling a Green Ecological Environment
	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.	2.1 Enabling a Green Ecological Environment
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A

Environmental, Social and Governance Reporting Guide - Content Index		Chapter
Environmental		
Aspect A3: The Environment and Natural Resources	General Disclosure Policies on minimizing the issuer's significant impacts on the environment and natural resources.	2.3 Contribution to Harmonious Ecosystem
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	2.3 Contribution to Harmonious Ecosystem
	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	2.2 Responding to Climate Change
Aspect A4: Climate Change	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.	2.2 Responding to Climate Change
Social		
Employment and Labour Practices		
Aspect B1: Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	3.4 Supporting Employee Growth
	B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	3.4 Supporting Employee Growth
	B1.2 Employee turnover rate by gender, age group and geographical region.	3.4 Supporting Employee Growth
	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	3.4 Supporting Employee Growth
		3.4 Supporting Employee Growth
Aspect B2: Health and Safety	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	3.4 Supporting Employee Growth
	B2.2 Lost days due to work injury.	3.4 Supporting Employee Growth
	B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	3.4 Supporting Employee Growth
	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	3.4 Supporting Employee Growth
	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	3.4 Supporting Employee Growth
Aspect B3: Development and Training	B3.2 The average training hours completed per employee by gender and employee category.	3.4 Supporting Employee Growth
	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	3.4 Supporting Employee Growth
	B4.1 Description of measures to review employment practices to avoid child and forced labor.	3.4 Supporting Employee Growth
	Description of steps taken to eliminate such practices when discovered.	3.4 Supporting Employee Growth
		3.4 Supporting Employee Growth

Environmental, Social and Governance Reporting Guide - Content Index			Chapter
Social			
Operating Practices			
Aspect B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.		3.3 Enhancing Supply Chain Management
	B5.1	Number of suppliers by geographical region.	3.3 Enhancing Supply Chain Management
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	3.3 Enhancing Supply Chain Management
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	3.3 Enhancing Supply Chain Management
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	3.3 Enhancing Supply Chain Management
Aspect B6: Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.		3.1 Ensuring Safe and Smooth Roads 3.2 Providing Convenient Transportation Services
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A
	B6.2	Number of products and service related complaints received and how they are dealt with.	3.2 Providing Convenient Transportation Services
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	3.2 Providing Convenient Transportation Services
	B6.4	Description of quality assurance process and recall procedures.	N/A
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	3.2 Providing Convenient Transportation Services
Aspect B7: Anti-corruption	General Disclosure (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.		1.4 Business Ethics
	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.	1.4 Business Ethics
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	1.4 Business Ethics
	B7.3	Description of anti-corruption training provided to directors and staff.	1.4 Business Ethics
Community			
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.		3.5 Meeting Community Demands
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	3.5 Meeting Community Demands
	B8.2	Resources contributed (e.g. money or time) to the focus area.	3.5 Meeting Community Demands

Feedback Form

Dear Reader:

Hello!

Thank you for reading this report. We sincerely look forward to your evaluation and valuable feedback on this Report, so that we can continuously improve our ESG work, enhance our ability to fulfill social responsibilities, and raise the level of our company's sustainable development!

Thanks!

Anhui Expressway Company Limited

April 2024

Selective Questions: (Please tick the corresponding box with "√")

	Very Good	Good	Average	Poor	Very Poor
1. Your overall impression of the report is:					
2. Your assessment of the quality of ESG responsibility information disclosed in the report:					
3. Your opinion on the structure of the report:					
4. Your opinion on the layout design and presentation of the report:					

