



綠色動力
DYNAGREEN

綠色動力環保集團股份有限公司

Dynagreen Environmental Protection Group Co., Ltd.

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

Stock Code : 1330.HK & 601330.SH

DYNAGREEN ENVIRONMENTAL



2024

Environmental, Social and
Governance Report

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I. ABOUT THIS REPORT

1.1 Basis of Preparation

This is the ninth Environmental, Social and Governance (“ESG”) report (the “Report”) of Dynagreen Environmental Protection Group Co., Ltd. (“Dynagreen”, the “Company”, the “Group”, “we” or “us”). The Report was prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) of Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”), and satisfies relevant requirements under the Self-regulatory Guidelines for Listed Companies No. 14 of the Shanghai Stock Exchange – Sustainable Development Management (Trial). The contents of the Report give a disclosure of the Group’s sustainable development-related strategic guidelines, management measures and performance. The Report will be published on the website of the Hong Kong Stock Exchange, the website of the Shanghai Stock Exchange and the official website of the Company.

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



Materiality: The Company focused on high-importance issues to the Group and stakeholders. The Company identified various material ESG issues with the management and staff as well as external stakeholders through communications and these material ESG issues are the basis of report preparation.



Quantitative: To set a measurable target and evaluate the ESG performance more objectively, the Company provided quantitative information as much as possible. The Group used a data collection system to collect and monitor various environmental and social indicators regularly.



Balance: The Company reviews and discloses its achievements, areas for improvement and future action plans in the Report to provide its ESG performance impartially.



Consistency: Unless otherwise specified, the methodologies used in the Report are consistent with the prior year for comparisons of ESG data.

1.2 About the Group’s Business

As a pioneer in the industry of comprehensive governance of urban environment, Dynagreen, founded in 2000, is a state-owned listed enterprise group controlled by Beijing State-owned Assets Management Co., Ltd. (“BSAM”) and specialized in circular economy and renewable energy industry, and is the first enterprise with its A shares and H shares listed in the waste-to-energy industry in the PRC (601330.SH, 1330.HK), with total assets of approximately RMB22 billion. Our scope of business covers the investment and construction, operation and management, technology research and development and supply of the core equipment relating to urban waste treatment projects, and other professional services including consultation in to provide comprehensive solutions for the urban waste treatment.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

The urban waste treatment projects constructed with the investment of the Group are comprehensive waste recycling projects integrating waste collection, storage and transportation, incineration, power generation, heat supply, methane utilization as well as bricks manufacturing from bottom ash. As of 31 December 2024, the Group operated 37 waste-to-energy projects in more than 20 provinces, municipalities and autonomous regions, including Beijing, Tianjin, Jiangsu, Zhejiang, Hubei and Guangdong, with a waste treatment capacity of 40,300 tons/day and an installed capacity of 857MW, ranking the forefront of the industry in respect of operation scale in the PRC.



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





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1.3 Scope of the Report

The Report is an annual report. Unless otherwise specified, the time span is from 1 January 2024 to 31 December 2024 (“2024”, the “Reporting Period” or the “Year”). The Report covers the information of Dynagreen Environmental Protection Group Co., Ltd. and its subsidiaries. The environmental information disclosed in the Report covers the Group’s head office and 36 waste-to-energy projects that were in operation throughout 2024 (located in Changzhou, Haining, Pingyang, Yongjia, Laizhou, Wuhan, Taizhou, Rushan, Anshun, Jizhou, Huizhou, Jurong, Bengbu, Tongzhou, Ninghe, Guangyuan, Miyun, Jiamusi, Shantou, Bobai, Zhangqiu, Sihui, Hong’an, Shishou, Dengfeng, Yichun, Jinsha, Fengcheng, Enshi, Shuozhou and Huludao, respectively).

1.4 Source of Information

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

II. SUSTAINABLE DEVELOPMENT MANAGEMENT

As a member of the environmental industry, the Group understands that sustainable development management depends on a robust top-down management framework. The Company continues to iterate its sustainable development strategy according to business development, improve the sustainable development governance structure, and proactively work with various stakeholders to steadily promote sustainable development practices.

2.1 Strategy of Sustainable Development

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

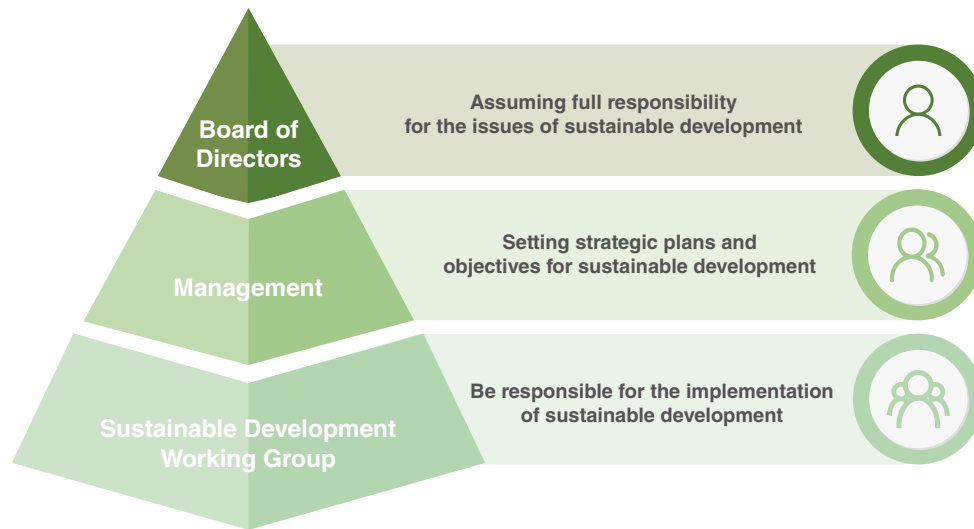
The Group is a state-owned listed enterprise group engaged in circular economy and renewable energy industry. The core issues of sustainable development strategy cover six aspects: corporate governance, environmental protection, employee management, product responsibility, Party building leadership and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

2.2 Governance Framework of Sustainable Development

The Group continuously improves its sustainable development governance structure and clarifies the Company's top-down management policy and management responsibilities at all levels to ensure comprehensive coverage from strategy formulation to implementation.

The board of directors of the Group is the highest decision-making body in the sustainable development governance structure and assumes full responsibility for the issues of sustainable development; it takes overall responsibility for the major issues of sustainable development including the formulation of relevant strategies and policies, regularly checks of the progress of sustainability related work, and overall supervision of the Company's sustainable development.

The management team is responsible for assisting the board of directors in supervising risk management and governance. Under the management team, a sustainable development working group composed of members from various business departments is set up to work together on sustainable development-related matters such as compliance operation, pollution prevention and control management, supplier management, and environmental protection, and ensure the effective implementation of sustainable development strategies to ensure the smooth implementation of sustainability work.



Governance Framework of Sustainable Development

At the same time, the board of directors of the Company attaches importance to and fully participates in climate-related risks and matters related to environmental compliance management. It considers climate changes, environmental compliance management and other factors in the process of making major decisions such as enterprise development strategy, and regularly reviews the progress of climate change and environmental compliance management related goals. The management is responsible for formulating and reviewing policies related to climate change and environmental compliance management, supervising and evaluating the effectiveness of the Group's climate risk management and environmental compliance management in the course of its operations, and reporting regularly to the board of directors.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

2.3 Dual Materiality Assessment

In 2024, based on its own strategic planning and actual situation of operation, the Group updated its assessment method with reference to regulatory requirements under documents such as the Self-regulatory Guidelines for Listed Companies No. 14 of the Shanghai Stock Exchange – Sustainable Development Report (Trial) and the ESG Reporting Guide, and carried out dual materiality assessment. Through internal and external research and inviting the Company's management and stakeholders to participate in the assessment of substantive issues, the Company had a comprehensive understanding of important ESG issues concerned by all parties, and conduct comprehensive analysis and ranking of relevant substantive issues according to the principles of dual materiality, i.e. financial importance and impact importance.

2.3.1 Communication with Stakeholders

Adhering to the principles of integrity, interaction, equality and transparency, the Group proactively interacts and communicates with stakeholders through regular, multi-channel and multi-form stakeholder communication channels to fully understand stakeholders' suggestions and expectations, which serve as an important basis for improving the Group's business policy and sustainable development strategy.

The expectations of the Group and its stakeholders and the Company's key responses are as follows:

Stakeholders	Significance to Dynagreen	Issues of Concern	Dynagreen's Responses
Shareholders/ Investors	Stakeholders who are concerned with the Company's operations and sustainable development	<ul style="list-style-type: none">• Development plan of the Company• Legal and compliant operation• Return on investment	<ul style="list-style-type: none">• Convene general meetings of shareholders every year• Improve the quality of information disclosure• Maintain good profitability• Continuously improve the level of corporate governance
Government and regulatory authorities	Key stakeholders who are concerned with the compliance of economic, environmental, and social laws and regulations of Dynagreen and affect industrial development and policy promotion	<ul style="list-style-type: none">• Legal and compliant operation• Waste treatment• Stable power supply• Pollution prevention and control management• Economic growth• Payment of taxes on time	<ul style="list-style-type: none">• Attend government meetings from time to time• Publish environmental emission data• Publish production safety data• Attend policy lectures and symposiums from time to time

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

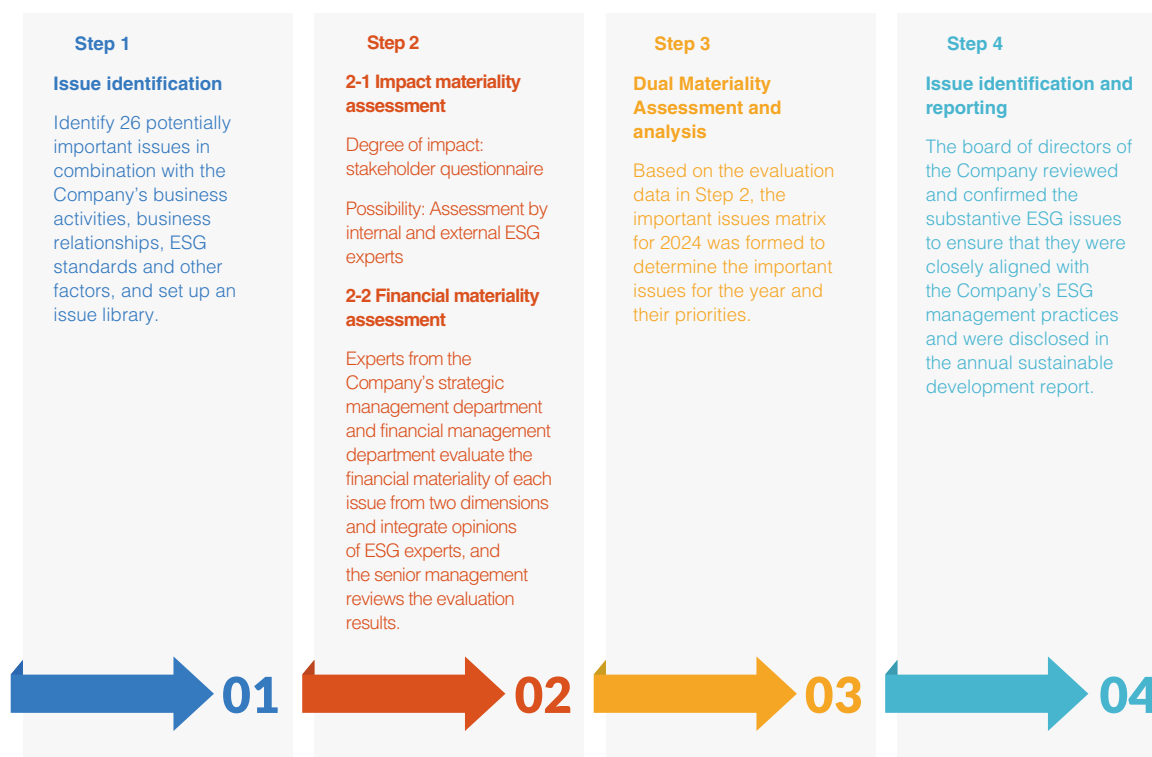
Stakeholders	Significance to Dynagreen	Issues of Concern	Dynagreen's Responses
Customers	Key stakeholders who are concerned with the stability of power supply, operation, product responsibility and environmental compliance of Dynagreen	<ul style="list-style-type: none"> • Power supply reliability • Integrity management • Waste treatment • Supplier management • Risk management and control • Environmental compliance 	<ul style="list-style-type: none"> • Satisfy customer requirements effectively and timely • Dedicated to providing high quality customer service • Customer satisfaction survey
Employees	As an important human capital of Dynagreen, employees are key stakeholders of Dynagreen's continuous growth	<ul style="list-style-type: none"> • Workplace health and safety • Employee benefits • Good working environment • Career development 	<ul style="list-style-type: none"> • Carry out employee activities • Pay attention to employee health • Provide training opportunities • Ensure a safe working environment
Community	Residents living around the plants of Dynagreen, stakeholders affected by the operations of Dynagreen	<ul style="list-style-type: none"> • Community participation • Environmental protection 	<ul style="list-style-type: none"> • Sponsor community activities • Disclose pollutant discharge data • Participate in local community activities and volunteer services
Industry Associations	Stakeholders who jointly promote industrial development	<ul style="list-style-type: none"> • Circular economy • Waste management • New technology of power supply 	<ul style="list-style-type: none"> • Join industry associations • Communicate and exchange operational results
Suppliers	Merchants who generate electricity and improve services for Dynagreen and are also stakeholders who need to work together to face ESG issues	<ul style="list-style-type: none"> • Supplier management • Corporate governance • Technological innovation 	<ul style="list-style-type: none"> • Establish good supplier relationship • Conduct audits on suppliers irregularly and understand the operational performance of suppliers



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

2.3.2 Process of Dual Materiality Assessment

The Company conducted assessment of issues of dual materiality based on the following process:



Issue identification

The Group has fully considered the macro environment, the Group's business activities, ESG regulatory requirements, peer practices and other factors, and identified 26 important issues for the year.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Impact materiality assessment

The Group evaluates the importance of each issue centering on two dimensions of “impact degree” and “possibility” based on stakeholder surveys and communication with internal and external ESG experts.

Impact Degree

Scale: The magnitude of the impact. For positive effects, it refers to the extent to which they are beneficial or likely to be beneficial.

Scope: The extent of the impact. For example, the number of individuals or the scope of environmental resources that is or may be positively affected.

Irretrievability: The difficulty of counteracting or repairing damage.

Possibility

Probability of potential negative impact: The probability that a negative impact will occur.

Financial impact materiality assessment

The financial materiality assessment first requires identifying risks and opportunities that affect or may affect the Company's business operations, financial position, operating results, cash flows, etc., and then assessing whether there is material financial impact. The Group's senior management, strategic management department and financial management department evaluate the financial materiality of each issue by taking into account factors such as market price, trend forecast, cost and profit of the Company in previous years and the possibility of occurrence.

Degree of Financial Impact

The analysis can be conducted from the perspective of continuity of resource use, relationship dependence on continuous production and operation (such as investors, upstream suppliers, downstream customers, etc.).

Possibility of Risks and Opportunities

The possibility of financial impact needs to consider the probability accumulated over a period of time to cover the long-term range.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

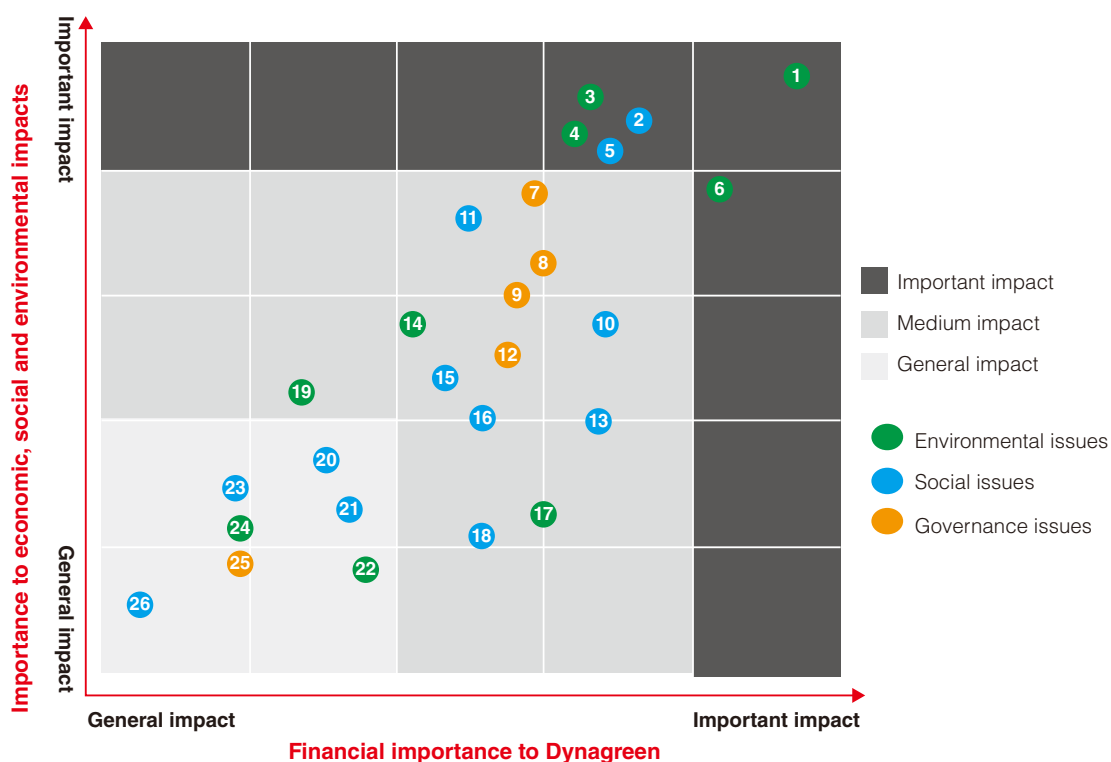
2.3.3 Results of Dual Materiality Assessment

Based on the quantitative analysis of the impact materiality and financial materiality assessment results, the Group identifies that the risks and opportunities related to “environmental compliance management” and “dealing with climate changes” will have an impact on the Company’s financial position, operating results and cash flow.

In terms of environmental compliance management, the Group may face risks such as the need to replace facilities and equipment due to stricter environmental management requirements, and environmental incidents caused by poor operations. In respect of opportunities, the Company has the opportunity to reduce financial costs by optimizing facilities and equipment, reducing pollutant emissions and energy consumption in the operation process, and further cooperate with regulators and industry partners to obtain more business expansion opportunities to increase financial returns.

In dealing with climate changes, the Group may need to invest resources in low-carbon transition plans and face climate-related risks such as changes in energy cost projections arising from regulatory requirements. In terms of opportunities, the Company has the opportunity to reap the expected financial benefits from developing and expanding low-emission goods and services.

Therefore, the Report will disclose relevant information on the issues of “environmental compliance management” and “dealing with climate changes” from the four dimensions of “governance”, “strategy”, “risk management” and “indicators and objectives”.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)




No.	Important issue	No.	Important issue	No.	Important issue
1	Environmental compliance management	11	Occupational health and safety	21	Innovation-driven
2	Production safety	12	Board diversity and independence	22	Noise management
3	Pollutant discharge	13	Staff development and training	23	Data security and customer privacy protection
4	Energy use	14	Water resources utilization	24	Circular economy
5	Product and service safety and quality	15	Good working environment	25	Anti-unfair competition
6	Dealing with climate changes	16	Supply chain security	26	Equal treatment of small and medium-sized enterprises
7	Anti-commercial bribery and anti-corruption	17	Waste disposal		
8	Protection of shareholder's rights	18	Rural revitalization and social contribution		
9	Risk and crisis management	19	Ecosystem and biodiversity conservation		
10	Rights and interests of employees	20	Protection of intellectual property rights		

2.4 Response to the Sustainable Development Goals (SDGs) of the United Nations

Dynagreen proactively responds to the sustainable development goals (SDGs) of the United Nations, and continuously promotes ESG management through multiple measures in accordance with its own sustainable development strategy and goals. Please refer to the figure below for specific goals and practices:

Sections	SDGs	Actions of Dynagreen
Corporate governance		Establish an effective and standardized governance system, and continuously strengthen the standardization and effectiveness of corporate governance
Dealing with climate changes		Establish a management structure for climate-related issues, with the board of directors at the top management level, identify and respond to climate-related risks and opportunities, and develop a climate-related risk management mechanism to regularly monitor and follow up on the achievement of targets

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)




Sections	SDGs	Actions of Dynagreen
Environmental protection	<div>6 CLEAN WATER AND SANITATION</div> 	Establish and improve the risk management mechanism for pollutants, formulate environmental compliance management objectives, and take practical environmental protection measures to ensure that all pollutants are discharged in compliance with regulations
	<div>7 AFFORDABLE AND CLEAN ENERGY</div> 	
	<div>15 LIFE ON LAND</div> 	
Rights and interests of employees	<div>3 GOOD HEALTH AND WELL-BEING</div> 	Implement production safety management, protect the legitimate rights and interests of employees, optimize salary and welfare benefits, and improve the training system
	<div>4 QUALITY EDUCATION</div> 	
	<div>5 GENDER EQUALITY</div> 	
	<div>8 DECENT WORK AND ECONOMIC GROWTH</div> 	
	<div>10 REDUCED INEQUALITIES</div> 	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)







Sections	SDGs	Actions of Dynagreen
Product responsibility	<div>7 AFFORDABLE AND CLEAN ENERGY</div> <div></div>	Stabilize power supply management, conduct technological innovation, promote intelligent transformation, achieve safe, stable and efficient operation, and standardize business supply chain management
	<div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div></div>	
	<div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div></div>	
	<div>17 PARTNERSHIPS FOR THE GOALS</div> <div></div>	
Rural revitalization and social contribution	<div>1 NO POVERTY</div> <div></div>	Improve community infrastructure, provide public services and donations, participate in community construction, and practice environmental public welfare actions
	<div>2 ZERO HUNGER</div> <div></div>	
	<div>11 SUSTAINABLE CITIES AND COMMUNITIES</div> <div></div>	

III. CORPORATE GOVERNANCE

Key performance in this chapter

-  No lawsuits or major administrative penalties due to the Company's unfair competition practices
-  No data security incidents
-  Results presentations are held three times a year

Issues addressed in this chapter

-  Anti-commercial bribery and anti-corruption
-  Protection of shareholders' rights
-  Risk and crisis management
-  Board diversity and independence
-  Data security and customer privacy protection
-  Anti-unfair competition

SDGs addressed in this chapter



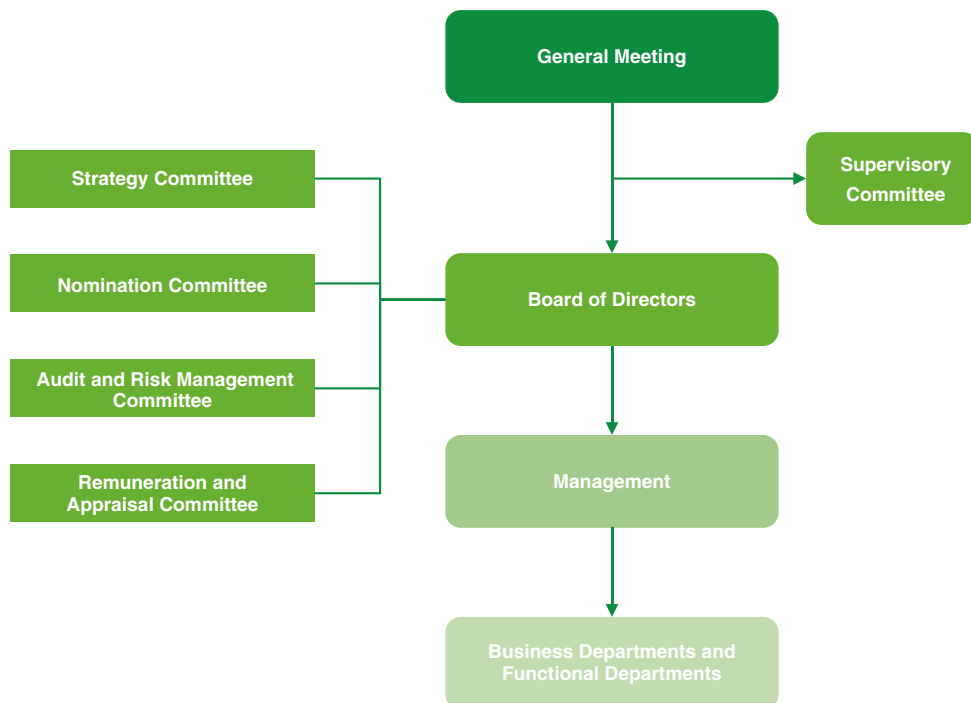
Standardized and effective corporate governance is the only way for Dynagreen's stable operation and also the basic premise for preventing compliance risks. The Company strictly complies with the laws, regulations and regulatory requirements of the China Securities Regulatory Commission, the Shanghai Stock Exchange and the Hong Kong Stock Exchange regarding standardized operation and abides by business ethics to protect data and privacy security. It practices standardized operation philosophy with higher standards, and maintains the good reputation and image of the Company, and shares the development and operation results of the Company with shareholders.

3.1 Corporate Governance Structure

In strict compliance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Code of Corporate Governance for Listed Companies, the Listing Rules of the Hong Kong Stock Exchange and the Corporate Governance Code in Appendix C1, the Group has established and continuously improved its corporate governance structure consisting of the general meeting, the board of directors, the supervisory committee and the senior management. It has formulated and implemented the Articles of Association, to standardize corporate governance procedures and standards, laying a solid foundation for effective corporate governance.

The board of directors of the Group governs four special committees, namely, the Strategy Committee, the Nomination Committee, the Audit and Risk Management Committee, and the Remuneration and Appraisal Committee, which are responsible for supervising and examining the affairs of the Group in specific areas and deciding on specific matters within the scope of the authority by the board of directors. The board of directors is composed of nine directors, including three independent non-executive directors. In particular, independent non-executive directors account for the majority of the Nomination Committee, the Audit and Risk Management Committee, and the Remuneration and Appraisal Committee, and the chairmen of the three committees are all independent non-executive directors. The Company strives to promote the diversity of the board of directors in terms of gender, resume, professional skills and other aspects, so as to enhance the board of directors' comprehensive governance and insight ability, improve risk prevention and response ability, effectively support the Company's strategic decision-making, and give full play to the effectiveness of the board of directors.

The Group's corporate governance structure is as follows:



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

3.1.1 Protection of Shareholders' Rights

Dynagreen strictly complies with the requirements of the regulatory authorities, and has established a sound information disclosure mechanism, to effectively fulfill the obligation of information disclosure to ensure that investors are timely informed of the Company's trends. The Company attaches great importance to interaction with investors, maintains close communication with investors in strict accordance with the Securities Law of the People's Republic of China and other laws and regulations through holding general meetings and results presentations, receiving online and offline surveys of investors, participating in strategy meetings, carrying out counter-roadshows and other activities, to answer investors' questions and give feedback in a timely manner, so as to effectively protect the rights and interests of investors of all types.

Information disclosure in 2024



Exchange with investors in 2024



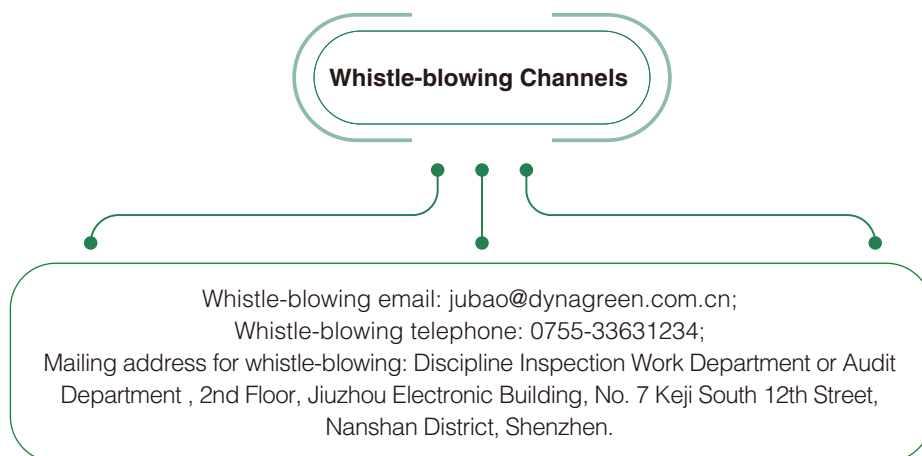
3.2 Business Ethics Construction

As a responsible listed company, Dynagreen always adheres to high standards of social ethics and business ethics in the process of operation and development. The Group follows the principles of voluntariness, fairness, compensation of equal value, honesty and credibility, and strictly requires leading cadres and employees at all levels not to seek improper benefits through illegal activities such as bribery, not to infringe on others' trademark rights, patents, copyrights and other intellectual property rights, and not to engage in unfair competition. The Company has developed a sound system to manage the integrity of employees and smooth reporting channels, and regularly conducts business ethics audits to check the effectiveness of business ethics management requirements. At the same time, the Company continues to strengthen the education of corporate integrity culture, to enhance the awareness of business ethics of all employees, and build a clean and honest business environment.

3.2.1 Prevention of Corruption and Commercial Bribery

In order to prevent the risks of corruption and commercial bribery and regulate the behavior of employees and business partners of the Company, the Group holds a joint meeting on the supervision of improving the Party conduct and anti-corruption every quarter, and fully mobilize the supervision role of audit supervision, compliance management, financial audit and other functions, to promote the coordinated resolution of various risks. Meanwhile, the Group has set the red line of integrity by formulating the 2024 Annual Performance Appraisal Plan and Work Arrangement of Dynagreen Group, and linked the integrity behavior to the performance appraisal. The assessment plan clearly stipulates that the main responsibilities of comprehensive and strict governance of the Party, the implementation of "one post with two responsibilities", the implementation of inspection and audit rectification will be included in the annual performance appraisal of the Group's middle management personnel, and the opinions of the relevant departments of Party, discipline inspection and audit should be solicited before the appraisal results are finalized.

The Group has established unimpeded whistle-blowing channels and whistleblower protection policy, and requires each project company to set up a whistle-blowing mailbox and complaint whistle-blowing box.



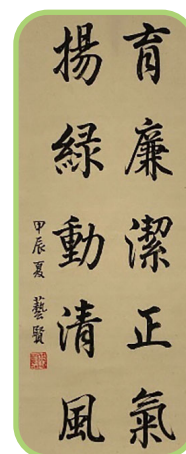
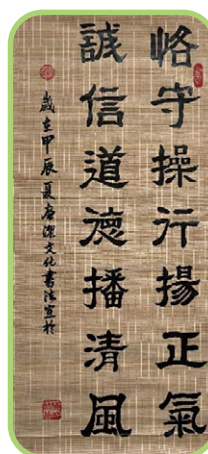
The management of the Company proactively supports the anti-fraud work led by the Audit Department and regards anti-fraud work as a part of daily management. The Audit Department takes the lead in regular clue collection and processing, fraud risk assessment and joint meeting, which plays an important role in regulating the professional behaviours of the employees of Dynagreen Group, strictly abiding by relevant laws, industry norms and standards, professional ethics and company rules and regulations, establishing a good atmosphere of integrity, diligence and professionalism, and preventing behaviours that harm the interests of the Company and shareholders.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

In order to proactively respond to the requirements of “carrying forward the integrity culture and jointly building incorrupt state-owned assets” for the state-owned assets management institutions, the Company continuously strengthens the construction of corporate integrity culture, and holds a variety of integrity culture education activities, to improve the integrity and self-discipline consciousness of leading cadres and employees. Besides, the Company has created the first integrity warning education exhibition hall, providing an important place for the majority of Party members, cadres and the masses to strengthen ideal and belief education, Party discipline and national law education, and case warning education. In addition, the Company regularly issues the internal brief Integrity Dynagreen, to always remind the Group’s majority of Party members and leading cadres of upholding integrity, learning integrity, practicing integrity and safeguarding integrity, to proactively create an integrity atmosphere. A total of 6 issues were released during the Report Period.

Case: Integrity Culture Education and Publicity Month

In July and August 2024, the Company launched a two-month integrity culture education and publicity month event and the annual selection of outstanding integrity culture works. 36 Party branches of the Group proactively participated in the event, and a total of 91 pieces of integrity culture works in various forms such as calligraphy, fine arts, and paper cutting were collected. The event created the brand characteristics of Dynagreen’s integrity culture through integrity painting, integrity video, integrity article and other popular and easy to spread cultural forms, to integrate integrity culture into the grassroots and frontline, to let more employees accept the edification of integrity culture and enhance employees’ ideological defense line of “no intention for corruption”.



Examples of Graphic Works

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Case: Dynagreen 2024 “Case as Reference, Case to Promote Rectification” Warning and Education Conference

In July 2024, Dynagreen held the “Case as Reference, Case to Promote Rectification” warning and education conference, which was attended by 409 people including members of the Group’s leadership team, middle-level chief and deputy officials of the Group headquarters, and all Party members. All participants at the conference watched warning and education films to strengthen the education and guidance of Party members and cadres to avoid corruption. The Company adhered to the integration of negative warning and education and positive integrity education to build a strong ideological line of defense for Party members and cadres.



“Case as Reference, Case to Promote Rectification” Warning and Education Conference

During the Reporting Period, the Group organized a total of 5 integrity culture-related trainings, and provided more than 7.5 hours of integrity and anti-corruption training to 210 cadres and employees. Meanwhile, the Company continued to proactively promote the integrity and anti-corruption training of the Group and its subordinate project companies by sending online teaching materials and other forms.

3.2.2 Anti-unfair Competition

The Group strictly abides by the Anti-unfair Competition Law of the People’s Republic of China, the Anti-monopoly Law of the People’s Republic of China and other laws, regulations, standards and norms to prevent unfair competition, including false publicity, monopoly practices, and infringement of trade secrets.

As at the date of the Report, the Group was not subject to any litigation or significant administrative penalties resulting from the Company’s unfair competition practices.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

3.3 Risk Management

The Group has established a sound risk management and internal control system. The board of directors is responsible for assessing and determining the nature and extent of risks that the Group is willing to take in order to achieve its strategic objectives, and for establishing and maintaining appropriate and effective risk management and internal control systems. The Audit and Risk Management Committee assists the board of directors in leading and supervising the design, implementation and supervision of the risk management and internal control system by the senior management of the Company, and regularly listens to the reports of the senior management and the Audit Department on the performance of the Company's operation and management and the evaluation results of internal control. The Company's senior management is responsible for the implementation of risk management and internal control and business operations related work, and accepts the evaluation and supervision of the Audit Department.

Based on the effective risk management and internal control system, the Company can systematically identify and evaluate the internal and external risks faced in the process of enterprise operation and development, including business operation risks, environmental compliance risks, production safety risks and information security risks, and formulate special risk mitigation plans and coping strategies, to control the actual and potential risks of the Group under a sound system and orderly management. In 2024, the board of directors and the Audit and Risk Management Committee of the Company considered and approved the proposal on internal control evaluation and risk management effectiveness.

3.4 Data and Privacy Security

The Group attaches great importance to the data and privacy security of its own and its customers. In strict accordance with the Cybersecurity Law of the People's Republic of China, the Data Security Law of the People's Republic of China, the Personal Information Protection Law of the People's Republic of China and other laws and regulations and industry standards, it has built a complete data security and customer privacy protection management system, and enhanced the information security awareness of all employees, striving to build a safe, reliable and compliant information technology environment.

3.4.1 Corporate Data Security

The Group has established a network security and informatization work leading group, which is responsible for guiding and supervising the information system-related business processes, systems and standards of the Group and its subsidiaries, approving the Group's annual informatization work plan in accordance with the Network Security and Informatization Work Management Measures formulated by the Company, and regularly reviewing the Group's information security policies and specific work implementation and timely adjusting and updating data security policies based on actual conditions.

In 2024, the Company conducted optimization and streamlining for the Internet exposure surface of the application system relying on the hardware and software equipment and facilities of the network security construction project. The system security was significantly improved through reasonable adjustment of application policies. At the same time, in order to ensure data security, the Company implemented local backup and remote backup measures for important data. In addition, the Company proactively carried out grade protection and grading of OA system and bidding and procurement system and strictly strengthened the authority control of the application system. The Company's information security guarantee ability was further enhanced through a number of measures, building a solid digital security defense line for the steady operation of the Company.

There were no data security incidents during the Reporting Period.

3.4.2 Customer Privacy Security

The Group resolutely safeguards the privacy and data rights of all customers, and strengthens the protection of customers' private data through technical means. It carries out network security awareness training for all employees to enhance their awareness and ability to protect personal information. Moreover, due to the business characteristics of the Group, the Company is not involved in collection and processing of large amount of customer privacy data.

During the Reporting Period, the Group did not disclose any customer privacy.

IV. DEALING WITH CLIMATE CHANGES

Key performance in this chapter

- Total greenhouse gas emissions 43,404.68 tons of carbon dioxide equivalent
- Scope 1 greenhouse gas emissions 28,166.57 tons of carbon dioxide equivalent
- Scope 2 greenhouse gas emissions 15,238.11 tons of carbon dioxide equivalent
- The Group applied for 495,300 green certificates and sold 253,300 green certificates

Issues addressed in this chapter

- Dealing with climate changes

SDGs addressed in this chapter



In the face of the increasingly severe climate change situation, the Group actively assesses the climate change-related risks and opportunities in its operations and adopts targeted coping strategies and actions to deal with the impact of climate changes. The Company strengthens climate change management from the four aspects of governance, strategy, risk management, and indicators and targets to achieve its sustainable development.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

4.1 Governance

Dealing with climate changes is a key element of the Company's going concern and the Company has integrated the supervision, management and implementation of climate-related matters into all levels of its sustainable development governance structure to ensure effective supervision, management and implementation of climate-related matters. For a detailed model and framework of corporate sustainable development governance, please refer to Chapter 2 Sustainable Development Management of the Report.

4.2 Strategy

In order to effectively identify and assess climate change-related risks and opportunities, the Group systematically conducts climate risk and opportunity assessment in accordance with the climate information disclosure framework recommended by the International Sustainability Standards Board (ISSB), and based on industry research and its own business characteristics. By analyzing the impact of policies and regulations, technological innovation and market trends on the Company's business operations and financial position, the Company defines the risk exposure in different stages and develops countermeasures. The Company defines the time frame as follows:

- Short-term (1-2 years): Direct impact of sudden and immediate climate events or rapid changes in policies and regulations on production and operations;
- Medium-term (3-5 years): Risks arising from energy price volatility, market tendencies and regulatory policy changes over the next few years;
- Long-term (6-10 years): Long-term challenges and opportunities in the areas of climate change trends, brand image, market competitiveness, etc., often require significant strategic adjustments and continued investment of resources.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Risk type		Time range	Climate-related risks	Potential impact	Solutions
Physical Risk	Acute	Short-term	<ul style="list-style-type: none"> Frequent extreme weather events such as high temperature, heavy rain, typhoon, flood, thunderstorm, and sandstorm 	<ul style="list-style-type: none"> Damage to production facilities results in increased production costs; Employees suffer from extreme weather, resulting in increased health and safety hazards and absence from work due to injury or illness, reduced production capacity and increased labor management costs. 	<ul style="list-style-type: none"> Carry out daily maintenance and inspection of equipment and facilities to ensure good operation of production facilities; Formulate corresponding environmental emergency plans for all kinds of extreme weather to ensure production safety of enterprise and protect the life safety of employees; Purchase natural disaster insurance for assets such as production facilities; Formulate emergency plan management measures for safety accidents, conduct emergency plan training and drills to improve employees' ability to prevent and deal with safety accidents; Adjust the working hours of employees according to weather conditions on time, and purchase personal safety insurance for them.
	Chronic	Long term	<ul style="list-style-type: none"> Intensified changes in climate patterns such as on-site hydrological characteristics and seasonal precipitation Intensified global warming 	<ul style="list-style-type: none"> Increased water consumption pressure and insufficient water supply in the circulation pipe network lead to increased operating costs; Waste collection and transportation are hindered, and raw materials for power generation are in short supply, resulting in a decline in production capacity; Power generation efficiency decreases, resulting in a decrease in revenue. 	<ul style="list-style-type: none"> Adopt sewage recycling and zero-discharge technologies in the project plants to relieve pressure on water consumption in business; Give full consideration to the impact of extreme weather in plant site selection, layout planning, process facilities, architectural design, etc. and optimize plant design to increase resilience to extreme weather.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

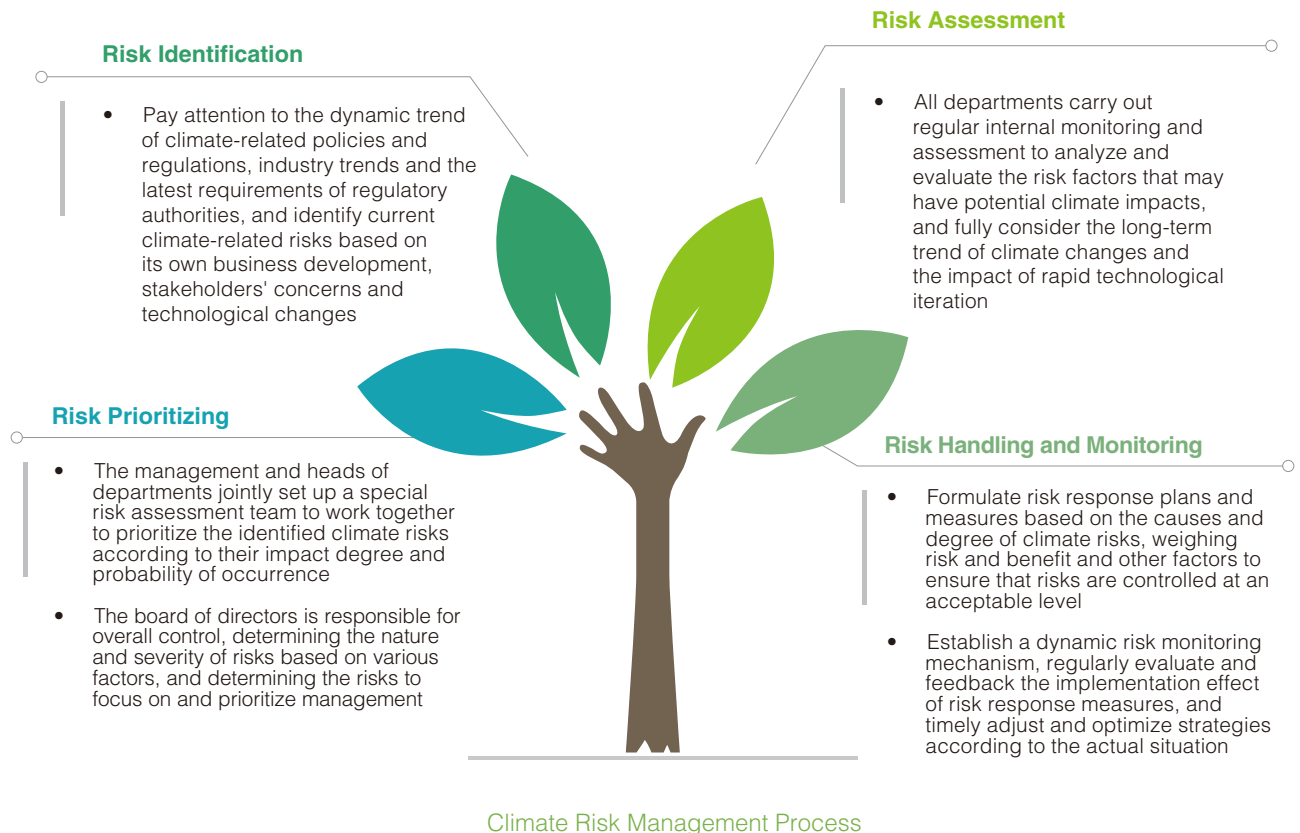
Risk type		Time range	Climate-related risks	Potential impact	Solutions
Transition risks	Policy and legal changes	Short term	<ul style="list-style-type: none"> Increased carbon emission pricing Intensified obligations on carbon emission disclosure 	<ul style="list-style-type: none"> Compliance costs increase; Increased risk of climate-related penalties or lawsuits. 	<ul style="list-style-type: none"> Implement the national "carbon peak and neutrality" strategic goal and the construction concept of "waste free city", and improve the quality and efficiency of waste-to-energy projects; Strengthen communication with government and regulatory authorities, to ensure timely understanding of policy changes, and proactively adjust relevant work to adapt to the changing regulatory environment.
		Medium term	<ul style="list-style-type: none"> More stringent regulation over carbon emission 		
	Technological innovation	Long term	<ul style="list-style-type: none"> Trend of transitioning to low-emission technologies 	<ul style="list-style-type: none"> Early phase-out of high energy consumption/ high pollution discharge facilities or processes; Increase in research and development spending on new low-emission production technologies. 	<ul style="list-style-type: none"> Insist on low-carbon production, monitor production energy consumption, adopt new production or environmental protection technologies, and carry out technological renovation or equipment transformation, to improve power generation efficiency and reduce carbon emissions in operations; Actively work with multiple parties to develop intelligent control systems and new processes to further improve the operation efficiency of boilers and other equipment, to reduce carbon emissions.
	Market	Medium term	<ul style="list-style-type: none"> The market competitiveness and cost of enterprise are affected 	<ul style="list-style-type: none"> Failure to develop low-carbon services in accordance with market trends may lead to a decline in the Group's market competitiveness. 	<ul style="list-style-type: none"> Optimize and upgrade the production process and technology, continue to expand waste collection and transfer and power generation business, to provide renewable green electricity for the society; Expand the scale and capacity of municipal waste recycling business, carry out heating and steam supply business simultaneously, and invest in the construction of low-carbon environmental protection industrial parks with local governments.
	Reputation	Medium term	<ul style="list-style-type: none"> Increasing social attention to the low-carbon transformation of enterprises 	<ul style="list-style-type: none"> Failure to make a timely low-carbon transition may lead to a reduction in the trust of stakeholders in the Group. 	<ul style="list-style-type: none"> Organize activities of public welfare publicity on green and environmental protection; Set clear targets for energy conservation and emission reduction, and regularly track the achievement of the targets.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Climate opportunity	Time range	Description of opportunity	Solutions
Policy	Medium term	<ul style="list-style-type: none"> The introduction of more and more green policies has played a positive role in guiding the market of green products and services 	<ul style="list-style-type: none"> Pay close attention to and respond promptly to national policies related to sustainable development, and explore opportunities in emerging markets such as carbon trading and green electricity certificates.
Market	Medium term	<ul style="list-style-type: none"> Customers focus on more environmentally friendly products and services 	<ul style="list-style-type: none"> Continue to carry out technological transformation or equipment transformation in line with market trends and improve environmental protection technologies, to reduce carbon emissions.

4.3 Risk Management

In order to comprehensively improve its ability to deal with climate changes, the Group has incorporated climate change risks into its risk management system and established a systematic climate risk management process based on its own business characteristics to identify, assess, prioritize and respond to climate-related risks.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

4.4 Indicators and Objectives

In strict accordance with the national “carbon peak and neutrality” strategic deployment, the Company proactively promotes greenhouse gas emission reduction, defines the qualitative objectives of greenhouse gas emission reduction, and has established a sound dynamic monitoring mechanism, to regularly carry out a comprehensive and in-depth review of the progress of the objectives. The Company has steadily promoted the implementation of greenhouse gas emission reduction through a number of initiatives such as optimizing production processes and improving energy efficiency. In the future, the Company will scientifically formulate quantitative emission reduction paths following industry characteristics and national policy guidelines and introduce third-party verification mechanisms when appropriate, to ensure that the goal setting and implementation process meet regulatory requirements and effectively fulfill corporate responsibilities in respect of low-carbon development.



Greenhouse Gas Emissions Objectives

- Continue to track and analyze greenhouse gas emissions involved in daily operations, and set phased emission reduction objectives;
- Strengthen the long-term operation management of boilers and gradually reduce the use of diesel and other fossil fuels, to reduce the intensity of greenhouse gas emissions.

Greenhouse gas emissions		Unit	2024
Greenhouse gas emissions (Scope 1)	Tons of carbon dioxide equivalent		28,166.57
Greenhouse gas emissions (Scope 2)	Tons of carbon dioxide equivalent		15,238.11
Total greenhouse gas emissions (Scope 1 + Scope 2)	Tons of carbon dioxide equivalent		43,404.68





The waste-to-energy technology of the Group can significantly reduce greenhouse gas emissions compared with traditional landfilling and composting processes. It can significantly reduce the methane produced by traditional waste disposal methods, thus effectively alleviating the greenhouse effect for the society. During the Year, compared with traditional waste disposal processes, the waste-to-energy business of Dynagreen can reduce greenhouse gas emissions by 4,687,168 tons, which has positive benefits for the realization of carbon peak and neutrality goals of the state.

The Group proactively participates in circular economy and continues to build a circular economy mechanism based on waste to clean energy centering on the three core principles of “reduction, recycling, and harmless treatment” of waste. On the one hand, the Company continues to proceed with the iteration and innovation of waste incineration technologies to achieve energy saving and emission reduction. On the other hand, the Company proactively participates in the biomass green certificate trading, and renewable energy trading on the green certificate platform of China, and assists customers in the application of green electricity to reduce carbon emissions. During the Year, the company helped disposal of 14,291,200 tons of waste and generated electricity of approximately 5.112 billion kWh.

During the Year, the Group applied for 495,300 green certificates and sold 253,300 green certificates.

V. ENVIRONMENTAL PROTECTION

Key performance in this chapter

-  Investment in environmental protection of RMB280,173,335.95, payment of environmental protection tax of RMB25,450.90
-  100% of the “three wastes” are discharged according to standards
-  100% operation rate of environmental facilities
-  No administrative penalties for environmental protection

Issues addressed in this chapter

-  Environmental Compliance Management
-  Pollutant Discharge
-  Energy Use
-  Water Resources Utilization
-  Waste Disposal
-  Ecosystem and Biodiversity Conservation
-  Noise Management

SDGs addressed in this chapter



Dynagreen takes environmental protection as the foundation of continuous good business operation. It continuously improves the environmental management system, identifies the risks and opportunities related to environmental management, and continuously deepens its environmental compliance management; it strengthens the control of pollutants, efficiently uses energy and resources, and implements the corporate mission of “creating a better living environment”.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

5.1 Environmental Management System

Adhering to the principle of “prevention as top priority and combining prevention with governance”, the Group promotes environmental management in depth. In strict compliance with laws and regulations such as the Environmental Protection Law of the People's Republic of China, the Measures for Administrative Punishment of Ecological Environment (《生態環境行政處罰辦法》), the Technical Specification for Quality Verification of Pollutant Discharge Permit (《排污許可證質量核查技術規範》), the Company has developed and implemented the Environmental Protection Management System of Dynagreen Group, clarifying the key work of environmental protection in the construction and production process and whole-process supervision therefor. The construction of the Group's environmental management system is continuously improved according to ISO14001 environmental management system standard and has been granted with relevant certifications.



At the same time, the Group has established a management structure for environmental management, with the general manager of the Group as the first responsible person, and the Group's operation management center to supervise and manage the environmental protection management of each operation project. Each operation project company has set up an environmental protection leading group to define the responsibilities of environmental management at all levels, to let the responsibility system cover every aspect of production.

In daily operations, the Group requires each project company to carry out regular on-site inspections, including self-inspections of environmental safety and “unscheduled” inspections of environmental issues implemented by the Group, to ensure that environmental management work is effectively implemented. During the Reporting Period, the Ministry of Ecology and Environment carried out “four no, two direct”¹ supervision and inspection on Wuhan Project, Taizhou Project, Bengbu Project and other project companies. The inspection involved inspection of environmental impact assessment, pollutant discharge permit, test report, Continuous Emission Monitoring System (CEMS), marking, on-site odor control, monitoring records, etc.; other project companies also carried out self-inspection and preparation for inspection.

In addition, the Group proactively improves the emergency plans related to environmental incidents of each project company, and strengthens the publicity of environmental laws and regulations to employees, so as to enhance employees' emergency response capabilities for environmental incidents and awareness and understanding of laws and regulations.

¹ “Four no, two direct” refers to the inspection method of “no notice, no greeting, no listening to report, no accompanying reception, directly go to the project, and directly conduct inspection on site”.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

5.2 Environmental Compliance Management

The Group continues to deepen environmental compliance management, identifies risks and opportunities related to environmental compliance management and takes appropriate measures. Meanwhile, the relevant management objectives are clearly defined and the progress of the objectives is continuously followed up to further enhance the effectiveness and transparency of the Group's environmental compliance management. During the Reporting Period, the Group invested RMB280,173,335.95 in environmental compliance and paid environmental protection tax of RMB25,450.90.

5.2.1 Governance

The board of directors of the Company attaches importance to and fully participates in environmental compliance management, and reviews the annual business plan put forward by the management and puts forward suggestions thereon. Moreover, there are experts and scholars in the field of solid waste treatment among the members of the board of directors, providing professional support for the Company's operations. For details of the sustainable development governance of the board of directors, please refer to Sustainable Development Management in Chapter II of the Report.

5.2.2 Strategy

The Company has identified risks and opportunities related to environmental compliance management, and has taken timely measures to address them:

Type	Risks related to environmental compliance management	Potential impact	Coping measures of the Group
Risk	Policy and legal risks	Environmental management laws and regulations may become stricter with the national environmental governance requirements. If the Company fails to follow up the laws and regulations and optimise internal environmental compliance management in a timely manner, it may face penalties including ordered rectification, suspension of production, imposition of fines, no renewable energy electricity subsidy, and no enjoyment of VAT refunds policy, etc. which has a greater impact on financial performance.	<ul style="list-style-type: none">• Pay timely attention to the environmental protection laws, regulations and policy requirements of the country and the place where the operation is located, and formulate a response mechanism in a timely manner in case of changes in laws, regulations and policies.• Apply for environmental compliance management such as environmental impact assessment, filing and permit in strict accordance with the procedures.

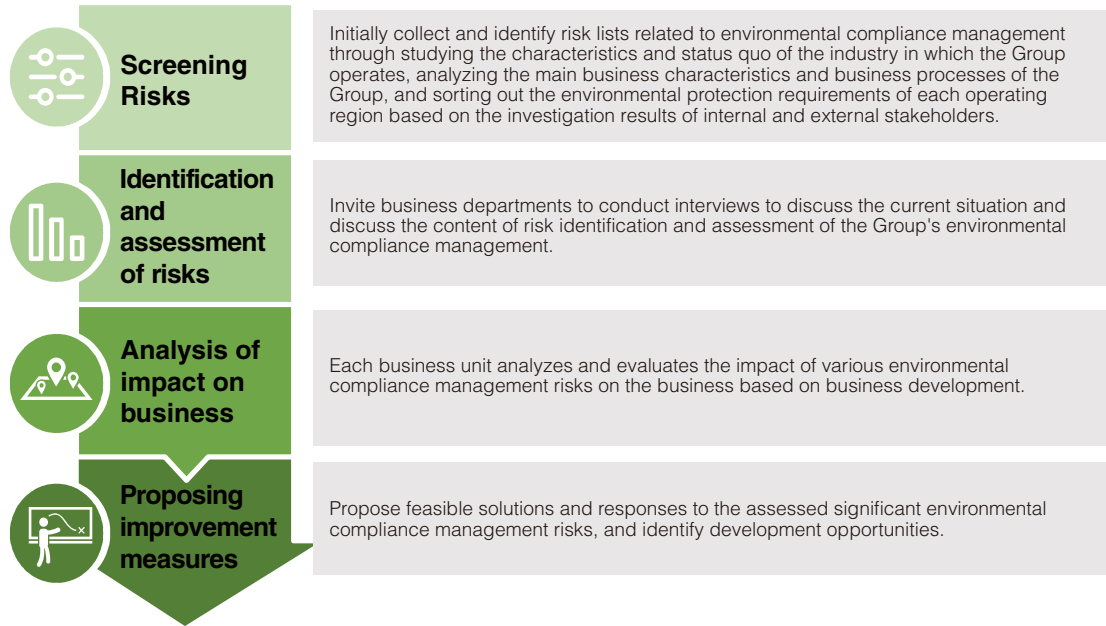


ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Risks related to environmental compliance management		Potential impact	Coping measures of the Group
Type			
	Technical risk	In the face of possible increasingly stringent national and local environmental governance requirements, the Group may have a need to upgrade its environmental governance processes and equipment, which will have a greater impact on its financial performance.	<ul style="list-style-type: none"> Get informed of the plans on upgrading national and local environmental protection emission standards in advance, and carry out research on ultra-low emission technology of waste gas, to ensure that the Company's flue gas treatment process can meet the requirements of future emission standards.
	Market risk	In the face of possible increasingly stringent national and local environmental governance requirements, if the Group fails to demonstrate excellent environmental compliance management performance, it may affect the Group's future development of new waste treatment projects, or face the cancellation of concession rights for existing projects.	<ul style="list-style-type: none"> Continue to strengthen the inspection of environmental compliance, adopt the "four no, two direct" and other ways to inspect the project companies, propose rectification measures for hidden dangers, and conduct assessment.
	Reputational risk	If the Group fails to perform well in environmental compliance management, it may affect the Group's image in the environmental protection industry and the capital market, and may lead to increased financing difficulties.	<ul style="list-style-type: none"> Conduct regular investigation of environmental compliance hazards, and timely rectification and repair for the hidden hazards. Actively disclose information and data related to environmental compliance management in public channels for the public to consult independently.
	Environmental restoration risk	If environmental events such as leachate discharge occur due to poor environmental compliance management performance of the Group, it may be necessary to pay more costs to restore the ecological environment around the project, which may have a significant financial impact.	
Opportunities		The increase in environmental compliance requirements and costs is likely to lead to a gradual increase in industry concentration, which will help the Group to expand its market share.	<ul style="list-style-type: none"> Continue to improve the environmental compliance management mechanism, and effectively implement the treatment of three wastes.

5.2.3 Impact, Risk and Opportunity Management

The Group identifies risks and opportunities related to environmental compliance management through the following process:



5.2.4 Indicators and Objectives

The Group regards environmental compliance as the bottom line of the Company's production and operation, and requires each project company to set environmental compliance objectives, including:

Operation rate of environmental facilities of 100%
100% of the "three wastes" discharged according to standards
Qualification rate of 100% of online monitoring equipment for flue gas and wastewater
No environmental pollution and damage accidents
No valid environmental complaints
No administrative punishment for environmental protection
Implementation of the "three simultaneities" environmental protection system
No violation of the Regulations on the Application and Management of Automatic Monitoring Data for Domestic Waste-to-energy Plants (《生活垃圾焚燒發電廠自動監測數據應用管理規定》)

Objectives of Environmental Compliance Management

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

During the Reporting Period, the Group has achieved the management objectives mentioned above and has not been subject to major administrative penalties or criminal liability for pollutant discharge; No serious violations of environmental laws and regulations have occurred, and no major complaints related to environmental protection have been received.

5.3 Pollutant Control

The Group regards the effective implementation of pollutant control as an important cornerstone of environmental protection. The Company clearly defines the emission standards and requirements of various pollutants and adopts advanced pollution prevention technologies, to effectively guarantee the effectiveness of the Company's implementation of pollutant control.

5.3.1 Exhaust Gas Control

The exhaust gases generated during the Group's production and operation mainly include soot, sulphur dioxide, carbon monoxide, nitrogen oxides, hydrogen chloride, dioxins, ammonia and hydrogen sulphide. In strict accordance with the Law of the People's Republic of China on the Prevention and Control of Air Pollution (《中華人民共和國大氣污染防治法》) and other laws and regulations, the Group requires project companies to take appropriate measures such as desulfurization, denitrification, dust removal, adsorption and other measures to dispose exhaust gas in accordance with regulations, to ensure that the exhaust gas emissions of all projects meet the requirements of laws and regulations. In particular, the Company strictly controls dioxin emissions. Before the commercial operation of projects, it will submit an application to the competent administrative department of environmental protection for environmental protection acceptance (including dioxin emission inspection report issued by a third party), and regularly entrust a third-party qualified professional organization to test dioxin and other exhaust gases. The dioxin emission of all projects is required to be lower than the Standard for Pollution Control on the Municipal Solid Waste Incineration (《生活垃圾焚燒污染控制標準》) (GB18485-2014). In addition, the Company is networked with the monitoring system of the Ministry of Ecology and Environment for online monitoring of the pollutant discharge of the Group's project companies, and an LED electronic display is set up at the gate of each plant to publicize the exhaust gas monitoring data of each incinerator, including the five pollution factors of particulate matter, sulfur dioxide, nitrogen oxides, carbon monoxide and hydrogen chloride as well as furnace temperature.

During the Reporting Period, the National Ministry of Ecology and Environment organized supervision and monitoring of dioxins for the Group and the Group met standards in all tests.

In terms of odor control, the project companies of the Group mainly take the following measures to prevent the impact of odor leakage on the surrounding ecological environment and residents:

- Seal the area except the garbage discharge port
- Install deodorization facilities
- Set an automatic door at the garbage discharge port, which is only opened when dumping garbage and closed after dumping
- Pump air above the garbage storage pit as combustion air, so that negative pressure is formed in the storage pit to prevent odors from spilling
- Adopt enclosed garbage carriers
- Directly pump landfill leachate to the leachate treatment station by pipeline to prevent odors from spilling

5.3.2 Waste Water Treatment

In accordance with the Law of the People's Republic of China on the Prevention and Control of Water Pollution (《中華人民共和國水污染防治法》) and other laws and regulations, the Group uses the "Automatic Monitoring and Basic Database System" to monitor the pollutant discharge information online in real time, predict the total amount and concentration of wastewater discharge in a timely manner, and take multiple measures to implement waste water treatment to ensure that wastewater discharge meets the standards.

The waste water generated by the Group is mainly landfill leachate, and the waste discharge platform produces regular cleaning waste water, acid and alkali waste water from the chemical debrine water making plant, and a small amount of domestic sewage.



Sewage treatment process:

1. The leachate concentrate collected is use for spraying hearth through recirculation to reduce discharge of leachate;
2. The biochemical system, ultrafiltration (UF), nanofiltration (NF), reverse osmosis and other technologies are used for wastewater treatment;
3. The treated wastewater that meets the level III discharge standards of the national Integrated Wastewater Discharge Standard (《污水綜合排放標準》) (GB8978-1996) will be discharged into the municipal sewage network and handed over to the municipal sewage plant for further treatment.



Reuse of treated wastewater:

1. The recycled and reclaimed wastewater from plants is used as cooling water for waste-to-energy facilities or used for landscaping in the plant site to reduce the final discharge of sewage.



Reduction of the yield of concentrated water through technical transformation:

1. The concentrated water reprocessing system (DTRO) and other facilities and equipment are added to further reduce the volume of concentrated water production;
2. The sewage recycling treatment equipment is installed to further improve the reuse rate of sewage.

In 2024, the Group's Laizhou Project, Miyun Project and Ninghe Biomass Project have achieved "zero waste discharge" through the above initiatives.



5.3.3 Waste Management

In strict accordance with laws and regulations such as the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》) and the Standards for Hazardous Waste Storage Pollution Control (危險廢物貯存污染控制標準), the Group continues to improve the requirements and rules for waste management within the Group, and has set waste reduction targets and clarified the treatment process and requirements for waste generated from daily operations to ensure the effectiveness of waste management.



Waste Reduction Objectives

The Company actively responds to the guidelines under national "waste free city" construction and circular economy policies. With the focus on "reduction, recycling, and harmless treatment" of waste, it ensures that the flue gas emission index is better than the EU standard by optimizing the incineration process parameters; in the future, it will establish a whole-process pollutant monitoring system based on industry technology trends and regulatory requirements and introduce a third-party evaluation mechanism when appropriate, to regularly carry out third-party environmental monitoring to ensure that the goal setting and implementation process meet regulatory norms and effectively fulfill social responsibilities in respect of environmental governance.

General Solid Waste Treatment

General solid waste generated in the Group's daily operations includes bottom ash from incinerators, sludge from the treatment of leachate, and domestic waste generated from daily office.

For the slag generated after incineration of waste, the Company will cool it and stacked it the room after magnetic separation of iron. It will then be transported by the disposal unit to the third party company to make permeable bricks for comprehensive utilization of waste as resources. Meanwhile, the bottom ash storage area is equipped with anti-seepage measures, and the Group assigns staff to conduct test and keep corresponding records every day.

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

For daily office waste, the Company actively encourages employees to take a series of measures to reduce waste emissions:



For the self-owned canteens, the Company promotes the "empty plate campaign" to reduce food waste;



The Company implements hierarchical management of colour printing authority to reduce waste toner cartridges and waste ink boxes;



Special wastebaskets are used to collect used paper so that non-confidential paper can be recycled and used on both sides.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Hazardous Waste Disposal

Hazardous wastes generated during the Group's operations include fly ash, waste oil and lubricants. The Group sets transfer forms and ledger records for hazardous waste, regularly weighs and records the production of fly ash, and ensures that no solid waste is spilled or flies through closed transportation, and adopts the following measures to rationally dispose of hazardous waste:



Fly ash

- The fly ash generated after waste incineration is subject to collection in a closed way and then sent to landfills by transportation units with corresponding transportation capacity after it meets the standards under the Standard for Pollution Control on the Landfill Site of Municipal Solid Waste (《生活垃圾填埋場污染控制標準》) (GB16889-2024) after solidification with chelating agent and cement.



Waste oil and lubricating oil

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

5.3.4 Noise Prevention and Control

The noise emission type of the Group's production process is mainly factory boundary noise. According to the requirements of the Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution (《中華人民共和國環境噪聲污染防治法》) and the Emission Standard for Industrial Enterprises Noise at Boundary (《工業企業廠界環境噪聲排放標準》) (GB12348-2008) and other laws and regulations, the Company reduces noise through optimization of processes, equipment renovation, installation of noise reduction devices and other measures. It regularly monitors the noise levels of factory boundaries, factory areas and living areas to effectively reduce noise and its environmental impact.

Source control

- In the process of equipment procurement, the Company requires suppliers to provide low-noise and shock-absorbing machinery and equipment with leading technology to control noise generation from the source.

Sound insulation and sound attenuation

- Equipment noise control:** For high-noise equipment, the Company installs equipment such as glottis and silencer for further sound insulation and sound attenuation.
- Environmental sound insulation:** The Company carries out reasonable layout of the buildings and green belts on the site to achieve sound insulation and reduce the impact of noise on the surrounding environment.

During the Reporting Period, the monitoring cycle and monitoring results were all in compliance with the Emission Standard for Industrial Enterprises Noise at Boundary (《工業企業廠界環境噪聲排放標準》) (GB12348-2008) and the national requirements.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

5.4 Energy and Resources Utilization

The Group attaches great importance to improving the utilization efficiency of energy and resources, defines the goals of energy conservation, emission reduction and water conservation, and integrates the concept of energy and resource conservation in daily operations to further improve the utilization rate of energy and resources.

5.4.1 Energy Use

In order to further improve the efficiency of energy use, the Company clearly defines the goals of energy conservation and emission reduction, and encourages all project companies to carry out technical transformation for boilers, air compressors and other facilities and equipment according to the actual situation, in order to further improve the power generation efficiency of plants, and to implement green office in daily operations to reduce energy waste. As a waste-to-energy enterprise, the energy used in the Group's daily operations is mainly from self-generated electricity, and the proportion of purchased electricity is small, so there is no difficulty in energy use.



Goals of Energy Conservation and Emission Reduction

The Company will focus on improving the energy efficiency of the waste-to-energy process, and continue to improve the comprehensive energy utilization efficiency by upgrading the waste heat boiler, optimizing the configuration of steam turbines, and deploying intelligent energy management systems. In view of technical difficulties such as waste heat value fluctuations and equipment corrosion, dynamic optimization of energy management paths ensures that target setting and implementation meet regulatory requirements on energy conservation and recycling, and saves costs.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Meanwhile, the Company encourages the project companies to develop energy use-related management measures, establish an energy management organization with clear responsibilities to regularly supervise and review the energy use and further deepen the energy management of electricity, steam, gas, and other energy, and carry out training related to energy conservation to further enhance employees' awareness of energy conservation. The Company proactively adopts green office and other measures in daily office to save energy as much as possible.



- The lighting equipment has been completely replaced with environmentally friendly and energy-saving lamps;
- Encourage employees to turn off lights when lights are not needed.
- Set the temperature of the central air conditioner uniformly, which shall not be lower than 26℃ in summer and not higher than 20℃ in winter.
- The Company proactively introduces new energy vehicles. Most of the forklifts have been replaced by electric forklifts, and new energy vehicles for business use are gradually increasing.

Major Measures of Green Office

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Case: Employees are encouraged to proactively participate in emission reduction from little things

In May 2024, the Group carried out energy-saving publicity week event, and a number of project companies under the Group, such as Huizhou Project Company, Bengbu Project Company and Fengcheng Project Company, publicize and interpret energy-saving and carbon reduction related policies and standards through LED displays, WeChat groups, posting slogans and posters on publicity boards and issuing energy-saving and low-carbon initiatives to popularize energy-saving and carbon reduction knowledge and enhance the awareness and work ability of all cadres and employees.



Low Carbon Training Site

During the Reporting Period, due to the earnest efforts of project companies to carry out technical upgrading of equipment, strengthen the management of non-production electricity consumption and other energy conservation works, the proportion of electricity generated the Group's comprehensive plants for their own use was 16.62%, and the electricity generated for their own use was 866,082.27 MWh.

5.4.2 Water Resources Utilization

Water is an important natural resource for the Company's business operations. The Group implements the concept of water conservation. It has set water conservation targets, regularly carries out technological transformation and upgrading to improve water resources utilization, and recycles treated wastewater to further reduce water resource consumption. Certain project companies have been awarded the honorary title of water-saving enterprises.

The water used by the Group mainly comes from municipal water supply, river water and underground water, and there is no difficulty in obtaining water.



Water Conservation Targets

In accordance with the national water-saving policy, for the difficulties in waste-to-energy process, the Company improves the efficiency of water resources utilization by optimizing process parameters. In the future, intelligent monitoring and network leakage control will be strengthened, and water-saving paths will be dynamically optimized to ensure that target setting and implementation meet the regulatory requirements on conservation of water resources, and save costs.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Case: Shantou Project adds sewage treatment system to improve the utilization rate of water resources

During the Reporting Period, Shantou Project added a set of recycling sewage treatment system with a treatment capacity of 400m³/d, which could reduce the external displacement of 146,000 tons per year and recover 116,800 tons of reclaimed water, further improving the utilization rate of water resources.



5.4.3 Biodiversity Protection

The Group is highly concerned about the impact of its operations on biodiversity. The Group strictly abides by laws and regulations and clearly defines environmental requirements in all aspects of project planning, design and operation to reduce the impact on biodiversity and ecosystems.

During the project design and planning stage, the Group carries out assessments on ecological and biodiversity risk and impact in accordance with the Environmental Impact Assessment Law of the People's Republic of China (《中華人民共和國環境影響評價法》) and other laws and regulations. New projects are required to meet the "three lines, one list"² ecological environment zoning control requirements to avoid selection of protected areas such as nature reserves, world cultural and natural heritage sites, forest parks, geoparks, wetland parks and drinking water sources.

During the project operation phase, the Group continues to standardize the management of three wastes and adopts effective pollutant control measures to ensure stable discharge of pollutants up to standard and reduce the impact on the surrounding environment.




During the Reporting Period, the Group's projects are located on land for industrial purpose or public management facilities, and there are no operating sites located in or near nature reserves or biodiversity-rich areas; No significant impacts on ecosystems and biodiversity were found in all production operations, products and services.

² "Three lines, one list" refers to the ecological protection red line, the environmental quality bottom line, the upper line of resources utilization and the ecological environment access list








VI. RIGHTS AND INTERESTS OF EMPLOYEES

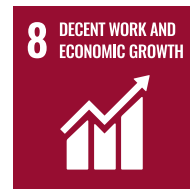
Key performance in this chapter

-  3,354 employees
-  9.32 hours of training per employee
-  Investment of RMB913,866 in staff training in 2024

Issues addressed in this chapter

-  Production Safety
-  Rights and Interests of Employees
-  Occupational Health and Safety
-  Employee Development and Training
-  Good Working Environment

SDGs addressed in this chapter



The Group regards its employees as valuable assets and is committed to building harmonious and stable labor relations. The Company fully protects the rights and interests of employees in strict accordance with compliance employment standards and has established the trade union organisation. It constantly improves the health and safety management system and strengthens the safety capacity building, to ensure production safety and provide a safe working environment for employees. At the same time, the Company continues to optimize the training system and career development path, to cultivate and motivate outstanding talents and help employees develop together with the Group. In addition, we regularly carry out a variety of staff activities and proactively create a positive corporate culture, to enhance team cohesion and staff's sense of belonging.

6.1 Construction of Safe Work Environment

The Group upholds the concept of “safety, environmental protection, civilization and efficiency” and always puts the safety of employees in the first place. The Company strictly follows the national laws and regulations such as the Production Safety Law of the People's Republic of China (《中華人民共和國安全生產法》), the Fire Protection Law of the People's Republic of China (《中華人民共和國消防法》), the Regulations on Emergency Response to Production Safety Accidents (《生產安全事故應急條例》) and the Measures for the Management of Emergency Plans for Production Safety Accidents (《生產安全事故應急預案管理辦法》), and has formulated and implemented emergency plans for production safety accidents, to standardize emergency management. By carrying out safety risk investigation, safety training and emergency drills, the Group has continuously improved its risk response and accident prevention capabilities to effectively protect the safety of employees' lives and property. During the Reporting Period, the Group invested RMB2,282,048.70 in injury insurance for employees, covering all employees.

Production Safety Policy of the Group

Safety first, prevention as top priority, and comprehensive governance

Safety Training and Assessment

The Company has established a comprehensive safety training and education system, and constructed a three-level safety education system consisting of company level-department level-team level. The Group requires new employees, employees of special trades, re-entry staff and staff with posts changed to receive safety training or take up their posts after obtaining a certificate. The Group's daily safety education is continuously carried out through regular meetings, briefings and other forms to create a safety culture atmosphere; meanwhile, the regular assessment mechanism ensures the consolidation and improvement of safety knowledge and skills, and comprehensively strengthens the Company's safety management level.



Safety assessment

- **Regular examination:** Regular examination of safety production laws and regulations is held every year, covering all production personnel
- **Spot check examination:** Random spot check examination is organized for front-line personnel. If there is a large gap between the score of spot check examination and the score of regular examination, re-examination is required and a notice of criticism will be circulated
- **Score management:** Exam scores are recorded in personal education and training files. Those who fail the exam can take the make-up exam within a time limit. Employees can only take up posts after passing the examination
- **Treatment of those responsible for accidents:** in addition to treatment according to regulations, those responsible for accidents caused by violation of rules and regulations are required to re-learn the relevant rules and regulations, and pass the examination before returning to work

During the year, the Group organized production safety training, covering key positions such as management and department heads of the Group and its subsidiaries, with a total of more than 647 trainees. The training adopted a combination of online and offline methods. After the production safety training, the online closed-book examination was organized to promote learning, effectively test the learning results of trainees, and promote the effective application of production safety knowledge in practical work. The passing rate of all trainees was 100%.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

In addition, for fire control facility operators, the Company strengthens the investigation of their certificates. In strict accordance with the local laws and regulations and the provisions of the fire control competent department, those without certificates are required to make timely rectification to ensure lawful and compliant operation. For the project company without anyone holding a certificate, the Company organizes relevant personnel to participate in fire skills training in batches to ensure that relevant personnel obtain training completion certificates. For the project company with completion certificates, the Company keeps track of the opening process of the local fire examination system at any time, and timely arranges relevant personnel to apply for the qualification certificate for fire facility operator.

In 2024, the Group's subsidiaries organized training for safety management, special equipment and other qualification certificates, with a total of 795 trainees; the total training expenditure for staff to obtain certificates amounted to RMB848,561.

Risk Investigation

The Group focuses on project safety management, and has established a safety responsibility system, to define the relevant management processes and requirements for hazard source identification, safety risk assessment, and potential safety hazard investigation; the project companies of the Group organize and carry out all-round investigation of potential safety hazards covering horizontal and vertical directions, and rectify the identified risks and hidden dangers one by one, to achieve closed-loop management. The Company regularly carries out safety inspection, and fully implements safety prevention and security in the production process. In 2024, the Group organized 85 inspections of various types of potential safety hazards during the construction of projects, and identified 163 types of potential safety hazards, all of which were rectified, with a rectification rate of 100%.

Case: Safety training on on-site risk identification

In July 2024, Huizhou Company carried out training on on-site identification of risk sources for employees of the operations department. The training focused on risk analysis of key areas such as discharge platforms and leachate tanks and explained corresponding prevention and response measures, such as setting warning signs on discharge platforms, standardizing vehicle access processes, installing gas monitoring equipment in leachate tanks, and conducting regular maintenance inspections of the tanks. Through this risk identification training, Huizhou Company allowed employees to have a deeper understanding of the nature of risks, master effective prevention and control measures, and improve employees' risk prevention awareness and emergency handling ability.



Risk Source Identification Training Site

Occupational Health and Safety

The Company always puts production safety and employees' well-being in the first place. It regularly organizes identification of adverse factors affecting the physical health of employees, and has prepared a list of project environmental factors and formulated control and management measures to ensure that the potential threat of adverse factors to the physical health of employees is effectively reduced and create a safe and healthy working environment for employees.

During the Reporting Period, Huizhou Dynagreen Environment Co., Ltd., Huizhou Dynagreen Renewable Energy Co., Ltd. and Huizhou Dynagreen Environmental Services Co., Ltd. of the Group obtained the ISO 45001 occupational health and safety management system certification.



ISO 45001 Occupational Health and Safety Management System Certification (Part)

Emergency Drill

The Group takes the "Production Safety Month" as an opportunity to thoroughly implement the concept of "life foremost, safety first" and fully implement the policy of "prevention as top priority and combining prevention with firefighting". In order to test and evaluate the feasibility of emergency response plans for safety incidents, the Group regularly organizes emergency drills in each project company. The drill focuses on verifying the plan response process and emergency handling procedures, testing the coordination ability of operation personnel, emergency rescue teams and various functional departments under emergency conditions, to comprehensively improve the emergency handling level of all personnel, ensure rapid and efficient response in emergencies, and effectively guarantee personnel safety and production stability.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Case: Fire emergency evacuation drill in office building

In May 2024, Tongzhou Company, together with the local fire station, organized all employees to carry out fire emergency evacuation drills in office building. The drill simulated an emergency fire in an office building, requiring all employees to quickly carry out emergency evacuation, fire emergency treatment and rescue of trapped personnel according to the emergency response process. The drill effectively improved the awareness and ability of all employees to escape safely, and built a solid line of defense for the Company's production safety.



Emergency Evacuation Drill Scene

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

Health and safety data	2024	2023	2022
Number (person) and percentage (%) of work-related fatalities	0, 0%	0, 0%	0, 0%
Fines and prosecutions due to non-compliance with laws and regulations related to health and safety (time)	0	0	0

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

6.2 Compliance in Employment

The Group strictly abides by the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China and other relevant laws and regulations, and has formulated management systems, such as the Measures for Management of Recommendation (《伯樂推薦管理辦法》), the Management Measures on Recruitment and Entry (《招聘及入職管理辦法》), the Training Management Measures (《培訓管理辦法》), the New Employees Appraisal Management System (《新員工考核管理制度》), the Measures for Management of Labour Contracts (《勞動合同管理辦法》), the Measures for Management of Remuneration and Benefits (《薪酬福利管理辦法》), the Attendance and Vacation Measures (《考勤及休假辦法》), the Measures for Management of Employee Separation (《員工離職管理辦法》) and measures for staff assessment and management of each segment to clarify recruitment procedures and selection criteria, to let every employee enjoy equal rights and interests. At the same time, the Company strictly prohibits any form of child labour and forced labour, has clear provisions in systems on prohibiting the recruitment of minors under the age of 16 and other prohibited personnel as stipulated by laws, and resolutely prohibits any illegal employment practices. The enrollment procedures of all new employees must be subject to filing and approval by the Human Resources Department of the Group or relevant leaders.

The Group strictly follows the principles of fair and compliant employment, and the principles of fairness, justice and transparency in the recruitment process, to avoid any form of discrimination. The Company explicitly prohibits discrimination against candidates based on gender, age, religion, ethnicity, family background and health status, to effectively guarantee the implementation of the principles of equal opportunity, diversity and anti-discrimination.

The Company has formulated a scientific recruitment plan and selection criteria, and continues to attract outstanding professionals through a multi-channel combination of campus recruitment, online recruitment, on-site recruitment, recommendation, internal deployment, etc., to provide a solid guarantee for the long-term development of the Group. In the year, the Company proactively improved the internal talent recommendation mechanism. The human resources department issued three internal job demand advertisements, and motivated employees to participate in it through the "recommendation" award. A total of 4 recommendation awards were granted throughout the year; internal recommendation channel expands the publicity of recruitment positions, stimulate the enthusiasm of employees to recommend talents, and help achieve the recruitment goals. In 2024, the Group and its subsidiaries recruited 243 people, with a recruitment completion rate of 97.59%; 22 college students graduated in 2024 were recruited, and the recruitment rate after assessment was 71.43%.

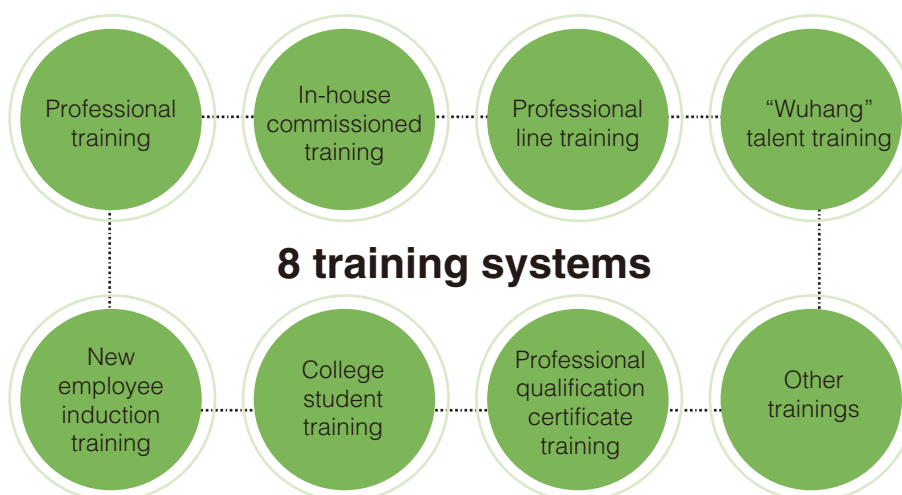
Employment data		Number of employees in 2024	Separation rate in 2024
Total number of employees of the Group		3,354	9.5%
By gender	Male	2,567	10.5%
	Female	787	6.09%
By age	17-30	1,035	13.68%
	31-40	1,229	7.66%
	41-50	825	7.09%
	>51	265	7.99%
By region	Mainland China	3,354	9.5%
	Overseas	0	0%

6.3 Employee Development and Training

The Group has always regarded talent development as the core strategy of enterprise, and is committed to building a systematic and hierarchical training system. The Company has formulated and implemented the Training Management Measures of Dynagreen Group (《綠色動力集團培訓管理辦法》) and Internal Training Management Measures of Dynagreen Group (《綠色動力集團內訓管理辦法》) and other system documents, and established a full-cycle training mechanism covering all employees and running through career development, laying a good foundation for the construction of talent team. During the Reporting Period, the Group's expenditure on staff training was RMB913,866.

Training System

The Company has designed 8 training systems for employees at different levels and positions, ranging from induction training for new employees to professional skills improvement and leadership training to meet the career development needs of employees in an all-round way.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Relying on the 8 training systems, the Company has carried out a variety of training programs, including professional line training for professional skills improvement, leadership training for cultivation of middle and senior management personnel, and training for college students to help them complete the transition from campus to workplace. During the Reporting Period, the Group's professional trainings mainly focused on operations, personnel, administration, finance and procurement to further enhance the professional specialty literacy of employees.

Operation line training

6 training sessions were carried out on topics including environmental management, thermal control management, heating management, electrical expertise, and refined management. Training was provided for 705 person times in 12.3 class hours

Personnel, administration line training

1 personnel, administrative and professional training was provided for personnel on relevant posts of project companies. Training was provided for 360 person times in 33 class hours

Procurement line training

The Group organized 6 procurement trainings in batches mainly for Anshun Project, Huizhou Project, Laizhou Project, Tongzhou Project, Huludao Power Generation Project and Zhangqiu Project, for a total of 86 person times

Financial line training

89 financial personnel were organized to accept continuing education training, and participated in 1 session of professional training in finance and taxation

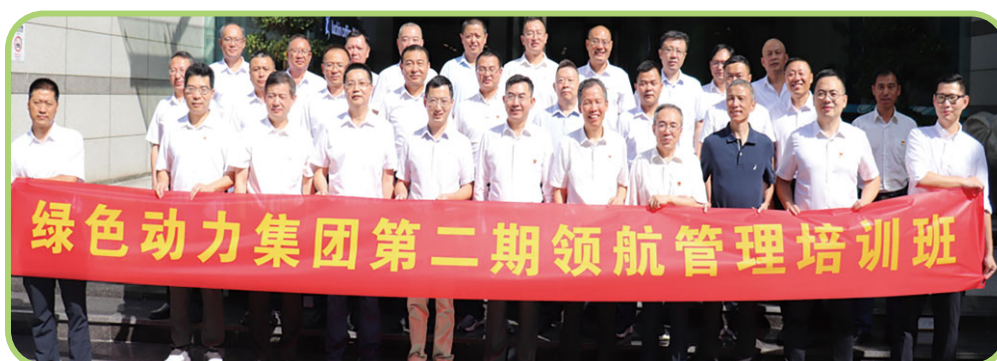


Professional Line Trainings

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Case: “Pilot” management training

In July 2024, the second session of the Group's “pilot” management training was carried out as scheduled and 20 members from the leadership teams of subsidiaries proactively participated in the training. The training contents were rich and diversified, covering ideological and political education, finance, legal affairs, performance compensation, operation management, management foundation, leadership and other core sectors, and a total of 55.5 hours of high-quality training was completed in 5 days. After class, the trainees proactively participated in group themed discussion and reported results. In the end, all trainees successfully passed the final training exam and accomplished the training task, which laid a solid management foundation for the subsequent development of the Group and helped the steady advancement of strategic goals.



Second session of “pilot” management training

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Case: College student training

In order to guide college students to achieve personal growth and career development, and help them better integrate into the workplace, the Group has developed and promoted the Guidance Manual for Cultivation of College Students (《大學生培養指引手冊》). The manual is designed to provide college students with a comprehensive guidance framework to help them understand the corporate culture and master the necessary career skills, to lay a solid foundation for their future careers. 22 college students graduated in 2024 enrolled in the plants to participate in centralized training, and completed the learning tasks in the comprehensive inspection phase through centralized teaching, extended training, post learning and other forms. In addition, the Company organized a training course on professional quality and mentality of college students, focusing on the improvement of professional ability and psychological quality training, to help college students better cope with workplace challenges.



Guidance Manual for Cultivation Programme of College Students Graduated in 2024

Training data		Trainee ratio in 2024 ³	Per capita training hours in 2024
All employees of the Group		100%	9.32
By gender	Male	100%	9.32
	Female	100%	9.32
By rank	Senior management	100%	9.32
	General management	100%	9.32
	Non-management employees	100%	9.32

³ Trainee ratio=Number of trained employees in this category/Number of employees in this category

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Performance Assessment

In order to enhance the management efficiency and competitiveness of the Group, the Company has formulated the Measures for Management of Annual Business Performance Assessment (《年度經營業績考核管理辦法》), stipulating clear assessment standards for different positions and ranks, and strictly implements the performance assessment system. In 2024, the Group signed an annual business performance assessment responsibility letter with 93 managers of 42 subsidiaries to ensure that each member has clear goals and responsibilities to promote the performance of the Group. For the managers who changed their posts or were promoted during the year, the Company signed the post appointment agreement and tenure performance assessment responsibility letter to further strengthen the responsibility system. In addition, the Group also carries out multi-dimensional evaluation of management promotion, including democratic appraisal, to provide a reliable basis for employee promotion and ensure the fairness and transparency of talent selection.



360° Evaluation

The Group is committed to establishing a fair and transparent promotion system that provides a diversified career path, including technical series director evaluation, open competition and cultivation and inspection of reserve cadres. Open competition to select and hire talents for vacant positions encourages talents to learn new technologies, thus creating a positive learning atmosphere, and motivates employees to constantly pursue growth and progress.

Talent Motivation and Retention

The Group attaches great importance to talent motivation and retention, and continues to improve the compensation and performance management system. The Company implements diversified incentive measures such as excellence selection, selection of advanced employees, awards and equity incentive, which closely combines employees' personal interests with the long-term development of the Company, so as to effectively enhance employees' enthusiasm for work. For potential departing employees, the Company takes the initiative to communicate with them to deeply understand the reasons for their departure and career direction, and retain key talents through internal post transfer and other ways to improve the retention rate of high-potential talents, core business personnel or operation and management cadres. At the same time, through communication with employees, the Company constantly optimizes the internal management process, improves the talent development path, and creates a better working environment for on-the-job employees, to attract and retain more outstanding talents.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

In the year, the Company commended 50 advanced individuals and 5 advanced collectives, affirmed their efforts and results through public recognition, internal publicity and other ways, encouraged all employees to keep pace with the advanced, creating a positive working atmosphere. Meanwhile, the Company attaches great importance to the career development and skills improvement of employees. In 2024, a total of 9 employees passed the professional qualification and title examination related to the Company's business and their own work and received professional qualifications and title awards, including 7 intermediate titles, 1 senior titles and 1 professional skills qualification certification, for which the Company granted bounty in a total amount of RMB15,500.

In December 2024, the Company disclosed the restricted share incentive scheme, to realize benefit and risk sharing between backbone employees and the Company by granting restricted shares.

6.4 Welfare and Care for Employees

In the process of constructing the remuneration system, the Group takes into account factors such as business objectives, economic efficiency and labor productivity, and provides market-competitive remuneration and benefits to ensure that it can effectively attract and retain outstanding talents. At the same time, the Company attaches great importance to communication with employees, and has built diverse communication channels to understand the needs and expectations of employees, thus to enhance the sense of identity and belonging of employees to the Group.

Employee Care Activities

The Group strives to create a wide range of employee care activities, which aim to enrich the leisure life of employees and enhance their happiness. These activities not only provide employees with vitality and health, but also stimulate their enthusiasm for work and inject strong impetus into the high-quality development of the Group.



Welfare and Care for Employees

- In addition to statutory social insurance, housing provident fund and paid annual leave, the Group also provides employees with diversified benefits such as housing provident fund, annual physical examination and group accident insurance, communication subsidy, work subsidy, night shift allowance, high temperature subsidy, festival allowance and annual physical examination
- The Group organizes condolences and collective activities and send sincere wishes on New Year's Day, Spring Festival, Dragon Boat Festival, Mid-Autumn Festival and other traditional festivals, as well as June 1 Children's Day, March 8 Women's Day and other festivals
- The Group has special provisions for female employees who have joined the Group for over one year under which they can enjoy 1 day of paid leave per month during breastfeeding

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Case: “Gather Dream in Dynagreen, Share Wonderful life” cultural and sports activity

In December 2024, the trade union of the Group elaborately organized the “Gather Dream in Dynagreen, Share Wonderful life” sports and sports activity. 80 employees from the headquarters of the Group enthusiastically participated in the activity. The activity themed by pillow was set with pillow bowling, pillow fortress, pillow turning, taking wooden bridge by strategy, pillow battle and other competitions. The novel and lively forms allowed employees to release pressure and exercised in laughter, enhanced the cohesion of the staff team, and created a positive cultural atmosphere for the Group.



Pictures of “Gather Dream in Dynagreen, Share Wonderful life” Cultural and Sports Activity

Case: Traditional Chinese Medicine Diagnosis and Treatment Activity

During the dog days of summer, the trade union of the Group organized traditional Chinese medicine diagnosis and treatment activity at the workplace to care for the health of employees. Luo Enli, chief physician of Minji Traditional Chinese Medicine Clinic, was invited to teach health care in summer and office syndrome prevention knowledge. In the on-site diagnosis and treatment process, physiotherapists carefully evaluated the physical conditions of each employee, give personalized conditioning suggestions for different health problems, to help everyone relieve body and mind and release pressure after work.



Picture of Traditional Chinese Medicine Diagnosis and Treatment Activity

Communication and Exchange with Employees

The Group attaches great importance to communication with employees and proactively listens to their voices. Through regular employee congresses, employee satisfaction surveys and other measures, the Company has built multiple communication channels, to promote direct dialogue between management and grass-roots employees, support employees to participate in major decision-making and planning discussions, to effectively protect the rights and Interests of Employees and enhance employees' sense of belonging.

In the year, in order to further improve the work of the trade union's holiday condolences, the Group conducted a survey on employee satisfaction. 115 questionnaires were issued, 111 were successfully recovered and valid, and the employee participation rate reached 96.52%. The satisfaction survey provided solid data support and valuable improvement direction for the trade union of the Group to further optimize the holiday condolences and improve employee satisfaction.

Case: 2024 Annual work meeting and the fourth meeting of the second session of the employee representatives congress

In March 2024, the Group held the 2024 annual work meeting and the fourth meeting of the second session of the employee representatives congress at the Conference Center of the Hyde Hotel in Shenzhen, where all employee representatives listened to and reviewed the 2023 business work report of the Group. Employee representatives proactively put forward suggestions for the high-quality development of the Group, and submitted proposals. After listening to and collecting opinions from employees and consideration by the Party committee and trade union of the Group, the proposals were handed over to relevant responsible departments for feedback, and final project approval/joint project approval was completed for a total of 2 proposals.



Picture of the Site of the 2024 Annual Work Meeting and the Fourth Meeting of the Second Session of the Employee Representatives Congress

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Case: The Fifth Meeting of the Second Session of the Employee Representatives Congress

In December 2024, the Group held the fifth meeting of second session of the employee representatives congress, attended by 77 employee representatives. At the meeting, the Group interpreted the Group's restricted share incentive scheme and related management measures in detail, and discussed in depth issues involving the vital interests of employees. The successful holding of the meeting marked the Group's important progress in the construction of talent incentive mechanism, laying a solid foundation for attracting and retaining outstanding talents, enhancing competitiveness, and ensuring long-term development.









Picture of The Fifth Meeting of the Second Session of the Employee Representatives Congress

VII. PRODUCT RESPONSIBILITY

Key performance in this chapter

-  R&D investment of RMB28.52 million (including technical transformation), accounting for 0.84% of operating revenue
-  Disposal of 14,291,200 tons of waste
-  Power generation of approximately 5.112 billion KWh

Issues addressed in this chapter

-  Product and Service Safety and Quality
-  Supply Chain Security
-  Protection of Intellectual Property Rights
-  Innovation-driven
-  Circular Economy
-  Equal treatment of Small and Medium-sized Enterprises

SDGs addressed in this chapter



The Group will optimize the quality management of waste disposal as its core work, continue to increase investment in research and development, and promote the optimization of technology research and development process and technology iteration and upgrading; it will also continue to strengthen the protection of core technologies and innovation results, to strengthen the core competitiveness of the Group and ensure maintaining a leading position in the market competition. In addition, the Company attaches great importance to supply chain security and sustainability, and proactively establishes long-term and stable cooperative relations with suppliers to ensure the stability and efficiency of power supply and provide reliable energy support for the society.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

7.1 Innovation-driven

Promoting the optimization, upgrading and digitalization of waste-to-energy technology is the only way for the Company to consolidate sustainable development. The Company has formulated the Measures for Management of Technological Research and Development (《技術研發管理辦法》) to clarify the annual technological research and development and innovation goals, and proactively promote the technological research and development and innovation for a number of waste incineration and treatment technologies. The Company proactively carries out industry-university-research cooperation with high-tech enterprises such as Aliyun, to apply advanced technologies such as big data, artificial intelligence, predictive models, etc. in the digital intelligence control of the whole process of waste-to-energy business from feed, incineration to waste gas disposal, to constantly improve the efficiency of waste-to-energy business and help the high-quality development of the waste-to-energy industry.

During the Reporting Period, the Company set a number of research and development and innovation targets and achieved good progress. Investment in research and development (including technical renovation) amounted to RMB28.52 million, accounting for 0.84% of revenue.

Technological research and development and innovation targets for 2024

Target progress and effectiveness

1.	Continue to improve the application of large-scale incinerator, a self-developed large-scale multiple drive expeller grate waste incinerator series product, in projects	✓	Tracked the operation and problem feedback of operating projects, optimized and improved the structure and grate design of large-scale multiple drive expeller grate waste incinerator.
2.	Continue to promote dioxin online warning and intelligent control technology	✓	Optimized and improved the dioxin online warning and intelligent control technology, and successfully applied the technology in Tongzhou Project by integrating it into digital intelligent waste incineration technology.
3.	Carry out research, development and application of efficient integrated flue gas treatment and flue gas recycling technology	✓	Intensified the development and research of flue gas treatment technology and flue gas recycling technology, and applied it in a number of projects including Sihui Project, Pingyang Project, Yongjia Project, Jizhou Project, Jurong Project and Huiyang Project.
4.	Carry out research, development and application of intelligent digital technologies for to improve the efficient, stable and long-term operation of boilers	✓	Cooperated with Aliyun in intelligent waste incineration control technology, and successfully applied it in three 750-ton waste incineration production lines in Tongzhou Project, Beijing, further improving the automatic operation level of incineration lines and promoting the quality and efficiency of enterprise.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Technological research and development and innovation targets for 2024

Target progress and effectiveness

- | | | |
|--|---|---|
| 5. Carry out technical research and development of small multi-functional waste incinerators | ✓ | Successfully developed a small multi-functional domestic waste incinerator with independent intellectual property rights and the treatment capacity of 100 to 200 tons per day, and successfully signed a technology licensing contract, effectively broadening the influence of the Company's own intellectual property rights. |
| 6. Carry out technological research and development of integrated ultra-low emission technology for flue gas treatment | ✓ | Cooperated with ASRock to successfully develop the integrated ultra-low emission technology for waste incineration flue gas treatment and applied it successfully in Rushan Project, which can greatly reduce the use of environmental protection consumables such as slaking lime and ammonia water, effectively avoid ammonia escape, reduce the amount of fly ash, and have high economic benefits. |
| 7. Carry out research, development and application of blending combustion technology for incinerators adopting recirculation spraying of sludge | ✓ | Conducted research and development of the blending combustion technology for incinerators adopting direct spraying of sludge, and conducted trial application of it in Zhangqiu Project, Wuhan Phase I Project and Changzhou Project to expand business scope and increase revenue and profit channels for the Group. |
| 8. Carry out research, development and application of high energy oxygen enriched shock wave cleaning technology for the second flue of waste heat boilers | ✓ | In order to ensure the long-term operation capacity of the incineration line, the online shock wave oxygen-enriched ash blowing capacity for the second flue of waste heat boilers was developed, and the application test was carried out in Shishou Project and Huiyang Phase II Project, which significantly improved the temperature drop and heat exchange efficiency of the second flue of boilers and reduced the workload of manual ash cleaning. |
| 9. Carry out research and development of coke and ash removal with robots | ✓ | Carried out the research and development of coke and ash removal with robots for waste heat boilers of waste incineration and limited space desilting technology, signed a tripartite cooperative research and development agreement with China University of Mining and Technology and a third-party manufacturer, and carried out pilot work in the application of robots in the waste incineration industry. |



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Case: Tongzhou Company deeply developed intelligent control system for domestic waste incineration

Through the application of big data analysis, artificial intelligence and machine learning, the Group has successfully developed an intelligent waste incineration control system to achieve real-time prediction of steam volume, furnace temperature and pollution emissions, and video identification and analysis of flame status, which can timely monitor and solve incineration control problems such as complex and variable waste, uneven material layer thickness and large time delay. The intelligent waste incineration control system controls the whole process of waste incineration, flue gas treatment and waste storage management with artificial intelligence. The automatic input rate of the system exceeds 95%, further improving the stability of the main steam flow and reducing the pollutant discharge.

With Tongzhou Company as a pilot, the technology was officially put into trial operation in three incineration lines of Tongzhou Company and achieved the expected goals, becoming the first digital intelligent waste incineration project in Beijing and setting a benchmark for the waste incineration industry. The technology won the first prize of Science and Technology Progress granted by China Association of Urban Environmental Sanitation in 2024, and has applied for national invention patents for related technologies.



First Prize of Science and Technology Progress granted by China Association of Urban Environmental Sanitation in 2024

7.2 Protection of Intellectual Property Rights

In strict compliance with the Patent Law of the People's Republic of China (《中華人民共和國專利法》) and other relevant laws and regulations, the Group has formulated and implemented the Guidelines on Compliance in Management of Intellectual Property Rights (《知識產權管理合規指引》), the Management Measures for Intellectual Property Rights and Trade Secrets (《知識產權和商業秘密管理辦法》), the Measures for Management of Patent Awards (《專利獎勵管理辦法》) and other systems to standardize the working process and requirements of the Group's management of intellectual property rights, and set up a patent incentive mechanism to provide a strong guarantee for the protection of scientific research results.

The Group clearly stipulates the requirements on preventing infringement of others' property rights and safeguarding its proprietary intellectual property rights, i.e., all employees shall conscientiously fulfill the obligations of safeguarding the Company's intellectual property rights and keeping trade secrets, shall not disclose the Company's trade secrets, and shall not arbitrarily use, license or transfer the Company's patented technologies, trademark rights, copyrights and other intellectual property rights. The Company promptly applies for protection of the technologies, trademarks, copyrights and other matters that meet the declaration requirements of intellectual property rights, and continues to strengthen the legal risk monitoring and disposal of intellectual property infringement and disputes. In case of any infringement or dispute, the relevant departments and subsidiaries shall take measures in a timely manner to combat the infringement by various means such as complaints or litigation, and safeguard the legitimate rights and interests and brand reputation of the Group. At the same time, the Company regularly searches for intellectual property risks, and uses legitimate software, pictures and other formal copyrighted things in daily operations to avoid infringing others' intellectual property rights.

As at 31 December 2024, the Group had obtained a total of 80 authorized patents. During the Reporting Period, the Group held 58 valid patents, applied for 6 new patents and was authorized 5 new patents; the Group had no major violations of laws and regulations or litigation related to protection of intellectual property rights.

7.3 Power Supply Quality Management

The Group enters into power purchase and sale contracts with local power grid companies in strict accordance with the Civil Code of the People's Republic of China (《中華人民共和國民法典》), the Electricity Law of the People's Republic of China (《中華人民共和國電力法》), the Renewable Energy Law of the People's Republic of China (《中華人民共和國可再生能源法》), the Regulations on Grid Dispatching Management (《電網調度管理條例》), the Regulations on Electricity Supervision (《電力監管條例》) and other relevant national laws and regulations. The project companies strictly implement the grid-connection dispatching agreement, and conduct standardized operation and maintenance for electric transmission and transformation equipment in strict accordance with the national and industry standards, to ensure safe, high-quality and economic operation of the power system and to provide stable and reliable power supply to the society.

In order to improve the quality of power supply, the Group has established a power generation efficiency monitoring system and continues to improve the technical specifications of waste-to-energy business. Project companies have scientifically formulated waste-to-energy targets according to the local actual operations, implemented the target responsibility management system, and established a reward and punishment mechanism to ensure the efficient implementation of various power generation tasks.

The Group focuses on the two core aspects of fuel and boiler, and implements refined control to improve the quality of power supply.

For boiler operation, the Company has established a real-time monitoring system to accurately adjust operating parameters according to different working conditions, so as to improve thermal efficiency of boilers, reduce energy consumption and pollutant discharge, and achieve a win-win situation of power generation quality and environmental protection benefits.

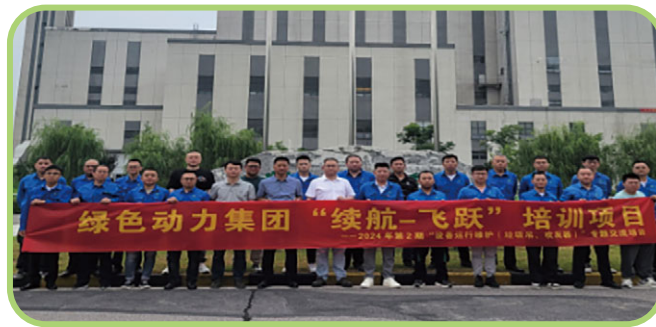
In terms of fuel management, the Company has formulated the Measures for Management of General Solid Wastes (《一般固體廢物管理辦法》) to regulate the management requirements of waste inspection, diversion, stacking, storage and blending, etc., to ensure the quality of raw materials for waste-to-energy business; meanwhile, the Company continues to optimize the procurement channels and standardize the storage and transportation processes, to ensure the stable quality of fuels in the furnace. In addition, the Company has established a fuel guarantee mechanism and taken corresponding measures to deal with the shortage of raw materials for power generation.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

In addition, the Group continues to invest in the development of intelligent control systems to carry out refined management and control of waste incineration, flue gas treatment and waste storage management, so as to further improve the stability of power supply and promote the high-quality development of enterprise. At the same time, the Group provides practical business skills training for technical personnel in plants, to standardize the operation of production equipment and improve the professional quality of employees, so as to provide guarantee for the stable quality of waste-to-energy business.

Case: “Endurance – Leap” training to improve employees’ practical skills to ensure stable power supply

During the Year, the Group organized 4 sessions of “Endurance – Leap” training, covering boiler adjustment, equipment operation and maintenance, aiming to improve trainees’ practical operation skills of equipment to ensure the stability of power supply quality. A total of 777 trainees participated in the training for 52.5 hours. Employees exchanged and discussed on more than 70 practical production problems in the training, effectively improving the professional skills and comprehensive quality of production personnel and providing professional support for the efficient and stable power supply of the Group.



Group Photo of “Endurance – Leap” Training

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

7.4 Supply Chain Security

In proactive maintenance of supply chain security, the Group continuously improves supplier management processes and requirements, strengthens construction of sustainable supply chain, and continuously deepens communication with suppliers, to build a green, transparent and safe supply chain.

7.4.1 Supplier Management

The Group has always adhered to the procurement principles of “fairness, justice, honesty and credibility”. The Company has formulated the Measures for Management of Procurement and Bidding Suppliers (《採購招標供應商管理辦法》) in strict accordance with the Tendering and Bidding Law of the People's Republic of China (《中華人民共和國招標投標法》), the Anti-unfair competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》), the Anti-Monopoly Law of the People's Republic of China (《中華人民共和國反壟斷法》) and other relevant laws and regulations, which specifies the management requirements for supplier access, dynamic management, evaluation and other processes, in order to promote the construction of a fair, efficient and clean supply chain.

Supplier Access

The Group selects suppliers through suppliers' self-referral, procurement based on business needs and internal recommendations. After reviewing the qualification of suppliers, the procurement department of the Group initiates the access procedures. Upon approval by the respective competent leaders, the relevant supplier will be included in the Group's supplier database.

Dynamic Management of Suppliers

The procurement department of the Group establishes professional classified management of suppliers according to their principal businesses, competitive specialties and actual project needs; white list, grey list and black list will be established according to the bidding and evaluation of suppliers. At the same time, the Company regularly communicates with suppliers and dynamically evaluates suppliers for significant ESG risks.

Supplier Evaluation

The Group carries out annual evaluation and project evaluation of suppliers, including engineering quality, material quality and performance, service quality and other contents, and assigns corresponding evaluation levels.

Whole Process Management of Suppliers

7.4.2 Sustainable Supply Chain

The Group attaches great importance to ESG risk management in the supply chain, includes environmental management, integrity, employee health and safety and other factors into the consideration of supplier selection, and requires engineering suppliers to sign a Safety, Health and Environmental Protection Agreement (《安全、健康、環保協議》) to clarify the responsibilities and obligations of both parties, so as to reduce safety accidents and environmental pollution and ensure the safety and health of workers. Meanwhile, the Company proactively implements the green procurement strategy, gives priority to suppliers engaged in environmental protection, low carbon and emission reduction, and proactively practices transparent procurement to continuously deepen the construction of sustainable supply chain.

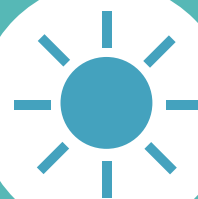
Green Procurement Strategy

- Nearby procurement: For the procurement of materials and services with strong geographic restrictions, such as lime, dangerous goods, pharmaceuticals and other materials, the influence of regional factors should be considered as much as possible, and it is required to give full consideration to price and regional factors and reduce the energy and carbon emissions required for long-distance transportation.
- Tendency to environmental protection: the Company gives priority to suppliers engaged in environmental protection, low carbon and emission reduction, and considers innovative technologies such as change of power frequency into variable frequency, magnetic levitation fan, etc. Change of power frequency into variable frequency reduces energy consumption and carbon emissions, and magnetic levitation fans reduce mechanical losses and noise, and improve energy efficiency.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Meanwhile, the Company continues to strengthen transparent procurement, and resolutely puts an end to any form of improper behavior.



Highlights of Transparent Procurement

- The procurement department is responsible for coordinating and organizing procurement. The procurement department has set different positions in accordance with the principle of "scientific and efficient, clear rights and responsibilities, separation of incompatible positions, mutual restriction and supervision"
- The procurement platform of the Group adopts an open way to organize procurement, and all qualified units in the qualified supplier database can participate in the bidding independently in strict accordance with the principles of "openness, fairness and justice"
- In supplier management and procurement activities, employees shall strictly abide by the requirements of integrity and self-discipline, and are prohibited to conceal or falsely report the qualification of suppliers, leak information, collude for exclusion, accept property, and take advantage of their positions to introduce enterprises with special relationships; senior management and the person in charge of the procurement department are forbidden to recommend suppliers, and other personnel are required to sign the integrity commitment for recommendation of suppliers and the recommender is required to avoid from the procurement activity
- Suppliers are required to sign an access commitment, promising not to engage in any corruption or other corrupt practices that affect fair competition.
- Establish an external monitoring mechanism and open a complaint hotline for external personnel to report corruption in procurement activities

During the Year, the Group was not aware of any major violations of laws and regulations or accidents of our suppliers. Meanwhile, the Company is committed to maintaining the fairness and justice of the supply chain to guarantee equal status of middle and small-sized enterprises in cooperation. During the Reporting Period, according to provisions, it is required to publicize information on overdue payment to small and medium-sized enterprises in the national enterprise information publicity system to the public, the Company had no overdue payment to small and medium-sized enterprises.

7.4.3 Communication with Suppliers

The Group proactively communicates with suppliers and is committed to building mutually beneficial and win-win cooperative relationships. In daily work, the Company maintains close contact with suppliers by phone and mail to ensure timely transmission of information and quick resolution of problems. Moreover, the Company regularly arranges visits to production sites of suppliers for on-the-spot investigation of their production processes and management conditions and understanding the actual difficulties and needs in their operations, so as to provide strong support for the both parties to work and develop together.

VIII. PARTY BUILDING LEADERSHIP

The Group continues to strengthen the guidance of Party building, enabling the Company to move steadily and eternally in sustainable development. The Group's leadership team has thoroughly studied and implemented the Xi Jinping's thought of socialism with Chinese characteristics for a new era, especially the General Secretary Xi Jinping's important discussion on the reform and development of state-owned enterprises and Party building, and thoroughly implemented the spirit of the Party's 20th National Congress, the Second and Third Plenary Sessions of the 20th Central Committee and earnestly executed the deployment of the Central Economic Work Conference.

The Party committee of the Group has carefully organized and solidly promoted the study and education of Party discipline, and all Party members have systematically studied the Disciplinary Regulations of the Communist Party of China (《中國共產黨紀律處分條例》), so as to learn discipline, know discipline, understand discipline and observe discipline. In addition, the Group has developed a theoretical learning center group learning plan to comprehensively improve the political work ability of the leadership team through concentrated learning, exchanges, discussions and writing theoretical articles. During the Reporting Period, the Group organized 13 concentrated studies for the theoretical learning center group of Party committee, 7 exchanges and discussions, and wrote 11 theoretical articles.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Case 1: “Continuation of Red Blood, Adherence to Original Mission” Party spirit education activity

On 15 July 2024, in order to celebrate the 103rd anniversary of the founding of the Communist Party of China, inherit and carry forward the Red gene, and deeply understand the great spirit of revolutionary ancestors, the Party Committee of the Group organized the “Continuation of Red Blood, Adherence to Original Mission” Party spirit education activity. Through watching a film about the youth of the revolutionary forefathers, Party members and cadres received a profound Party spirit education and political baptism, deeply felt the lofty aspirations of great men when they were young, and better comprehended the meaning of “reading ten thousand books and traveling ten thousand miles.”



Site of Party Building Activity

Case 2: Activity of in-depth study and implementation of the spirit of the Third Plenary Session of the 20th CPC Central Committee and learning and education of Party discipline by the Party committee of Dynagreen

In August 2024, the Party committee of the Group carried out the activity themed by study of the spirit of the Third Plenary Session of the 20th CPC Central Committee and learning and education of Party discipline, and organized Party members to visit and study at the Integrity Education Base of Shahe Sub-district, Nanshan District, Shenzhen. In the activity, “bribe-taking leads to arrest”, “walking on thin ice” and other immersive experience scene interactions gave a profound and vivid integrity warning education lesson to everyone, in order to constantly enhance the awareness discipline and rules of Party members and cadres and improve the Party spirit and ability of self-discipline for integrity.



Site of Party Building Activity

IX. RURAL REVITALIZATION AND SOCIAL CONTRIBUTION

Key performance in this chapter



Donation of RMB3,803,800 in cash for social welfare and assistance materials worth RMB442,300



Donation of RMB507,600 for rural revitalization



Benefiting 3,194 people

Issues addressed in this chapter



Rural Revitalization and Social Contribution

SDGs addressed in this chapter



Dynagreen proactively supports rural revitalization, helps poor rural people, and assists villagers to build a better living environment; meanwhile, the Company carries out environmental publicity activities to popularize environmental protection knowledge and further enhance the public's awareness and perception of environmental protection. During the Reporting Period, the Group donated RMB507,600 for rural revitalization, RMB3,803,800 for social welfare and RMB442,300 in the form of assistance materials in support of rural revitalization and social welfare to further promote the construction of a better society.

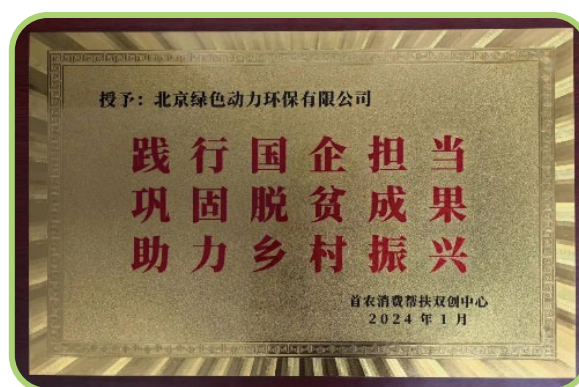
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

9.1 Rural Revitalization

As a state-owned enterprise, the Group has never forgotten to support the great mission of rural revitalization. The Company encourages project companies to carry out various forms of assistance, including consumption assistance and industrial assistance, to provide continuous assistance to rural revitalization.

Case: Consumption assistance to help rural revitalization obtains external recognition

Tongzhou Project Company and Miyun Project Company in Beijing, both being subsidiaries of the Group, proactively mobilized employees to apply for the “Love Card of Poverty Alleviation through Consumption”, coordinated canteens and trade unions to purchase agricultural and side products such as rice, noodles, oil and meat to revitalize the countryside, to help revitalize the rural by-product industry with practical actions. As at 31 December 2024, Tongzhou Project Company had accumulatively purchased poverty alleviation products of nearly RMB327,700, and Miyun Project Company had accumulatively purchased poverty alleviation products of nearly RMB180,000, benefiting a total of 3,194 people. During the Reporting Period, Tongzhou Project Company and Miyun Project Company received a plaque for supporting rural revitalization from the Shounong Consumption Assistance Innovation and Entrepreneurship Center, indicating that their assistance to rural revitalization was recognized by all parties.



Plaque Received

9.2 Public Welfare Activities

Based on the waste-to-energy business, the Group continues to promote publicity on environmental protection and knowledge popularization activities to the public to further enhance the public's awareness of environmental protection. During the Reporting Period, three project companies under the Group passed the assessment for establishment of provincial education bases, and Haining Expansion Project, Bengbu Project and Shantou Project were awarded the "Zhejiang Ecological Civilization Education Base", "Anhui Ecological Environment Education Base" and "Guangdong Environmental Education Base", respectively.

In June 2024, as a leading enterprise in the environmental protection industry, Dynagreen, closely focusing on the theme of the 2024 World Environment Day, proactively exerted the role of various projects as environmental publicity and education bases to carry out a wealth of environmental publicity activities, popularises environmental knowledge to the public, and mobilises all sectors of society to proactively participate in ecological environmental protection, to jointly create a better living environment.

As a co-organizer, Huizhou Company participated in the volunteer service activities themed on publicity of public welfare on the 5 June Environmental Day in Huiyang District, Huizhou City in 2024, and sent staff representatives to participate in the volunteer team art performance, in which their sketch show "Good Citizens Engage in Garbage Sorting" popularized the significance of garbage sorting and waste terminal treatment related knowledge to the public in a humorous way.



Scene of Sketch Show

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

To welcome the 2024 Environment Day and show the achievements of the construction of beautiful China, Miyun Company organized a photography, essay and painting competition on the on the 5 June Environmental Day in 2024, which attracted employees to provide works enthusiastically, to show the beautiful natural scenery and a vivid picture of harmonious coexistence between human and nature in the beautiful China with wonderful works and paintings describing the era.



Works of the Photography, Essay and Painting Competition

Tongzhou Company proactively organized public opening activities on the Environment Day. Teachers and students of Renmin University of China and Party members and cadres of Lucheng Town Environmental Health Affairs Center of Tongzhou District visited Tongzhou Project in batches to experience the whole process from waste transfer, treatment to reuse, to further enhance the cognition of environmental protection facilities and effectively stimulate the public's sense of responsibility and enthusiasm to participate in environmental protection.



Teachers and students visit Tongzhou Project Company

Appendix 1. List of Awards of Dynagreen in 2024

List of Awards of Dynagreen

2024 Top 10 Most Influential Enterprises in the Solid Waste Industry of China

First Prize of Science and Technology Progress granted by China Association of Urban Environmental Sanitation

Top 500 enterprises of Shenzhen

"Green Channel" Enterprise of Nanshan District, Shenzhen City

ESG Golden Dawn Award from Securities Market Weekly

"Polaris Cup" 2024 Practice Excellent Enterprise in the Waste-to-energy Industry



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Appendix 2. Table of Key ESG Performance Data of Dynagreen in 2024

Environmental Performance

Key Performance Indicators			Unit	2024	2023
Business	Waste treatment volume		tons	14,291,200.00	12,269,330.59
	Electricity generation volume		'0,000 kWh	511,225.63	474,363.00
Emissions	Wastewater	Total COD emissions	tons	20.28	11.00
		Total wastewater discharge	tons	822,280.60	658,958.00
		Wastewater discharge intensity	tons/tons of garbage disposal capacity	0.06	0.05
	Exhaust gas	Nitrogen oxide emissions	tons	5,877.30	5,256.00
		Sulphur dioxide emissions	tons	1,428.67	1,203.00
		Smog emissions	tons	137.07	139.00
		Hydrogen chloride emissions	tons	722.77	668.00
		Total exhaust gas emissions	tons	8,165.81	7,266.00
		Exhaust gas emission intensity	tons/tons of garbage disposal capacity	0.0006	0.0006
Greenhouse gas	Greenhouse gas emissions (Scope 1)		Tons of carbon dioxide equivalent	28,166.57	28,068.00
	Greenhouse gas emissions (Scope 2)		Tons of carbon dioxide equivalent	15,238.11	138.00
	Total greenhouse gas emissions		Tons of carbon dioxide equivalent	43,404.68	28,206.00
	Greenhouse gas emission intensity		Tons of carbon dioxide equivalent/ tons of garbage disposal capacity	0.003	0.002
Hazardous waste	Total hazardous waste		tons	470,793.30	429,170.00
	Hazardous waste intensity		tons/tons of garbage disposal capacity	0.03	0.03
Non-hazardous waste	Total non-hazardous waste		tons	3,556,717.31	3,382,776
	Non-hazardous waste intensity		tons/tons of garbage disposal capacity	0.25	0.28

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Key Performance Indicators		Unit	2024	2023
Energy	Total consumption of purchased electricity	MWh	28,397.52	242.08
		ton of standard coal	3,490.06	29.75
	Natural gas	MWh	4,431.18	4,854.39
		ton of standard coal	544.29	596.27
	Diesel	MWh	104,710.60	113,741.25
		ton of standard coal	12,861.80	13,971.07
	Gasoline	MWh	753.08	–
		ton of standard coal	92.50	–
	Total energy consumption	MWh	138,292.38	118,840.00
		ton of standard coal	16,988.65	14,605.16
	Energy consumption intensity	MWh/tons of garbage disposal capacity	0.01	0.01
		ton of standard coal/tons of garbage disposal capacity	0.001	0.001
Resources	Water consumption	tons	19,427,175.63	20,012,178.00
	Water consumption intensity	tons/tons of garbage disposal capacity	1.36	1.63
Compliance	Emissions exceeding environmental protection standards	times	0	0
	Fines and prosecutions due to noncompliance with environmental protection laws and regulations	times	0	1





ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Explanations on environmental data:

1. The time span of environmental data during the Reporting Period is from 1 January 2024 to 31 December 2024; the scope of data collection covers the head office of Dynagreen Group in Shenzhen and the plants of 36 subordinate project companies.
2. Greenhouse gas emissions (Scope 1) mainly come from gasoline and diesel combustion of official vehicles and diesel for fixed equipment, and greenhouse gas emissions (Scope 2) are generated from purchased electricity of the head office of the Group and project companies. Data sources are bills of payment of relevant expenses and administrative statistical ledgers. The greenhouse gas emission coefficient of purchased electricity is calculated with reference to the 2022 national average carbon dioxide emission factors of electricity issued by the Ministry of Ecology and Environment, and the emission coefficient of other energy sources is calculated with reference to the Reporting Guidance on Environmental KPIs issued by the Hong Kong Stock Exchange.
3. The types of energy consumed by the Group in 2024 include fuel oil for official vehicles, purchased electricity and natural gas. The sources of data are bills of payment for relevant expenses and administrative statistical ledgers; the energy consumption coefficient is calculated with reference to the conversion factor provided by the International Energy Agency and the national GB/T 2589–2020 General Rules for Calculation of Comprehensive Energy Consumption.
4. During the Reporting Period, the Group continued to improve the management of energy and carbon emission data, and gradually made statistics on the consumption of purchased electricity and fuel consumption of official vehicles of plants, so as to make comprehensive statistics on the Company's energy use and carbon emissions and prepare for subsequent carbon emission reduction planning. During the Year, the Group added statistics on the purchased electricity consumption of plants, resulting in a significant year-on-year increase in total power consumption as compared to greenhouse gas emissions.
5. Hazardous wastes mainly include fly ash, waste engine oil, waste lubricating oil, waste engine oil barrels, waste cloth bags, etc.
6. Non-hazardous waste is mainly slag and sludge.
7. The water used by the Group comes from the water supply from the municipal pipe network, river water and underground water, and the data sources are financial records and administrative statistical ledgers.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Social performance

Key Performance Indicators		2024		2023	
Total workforce by gender, employment type, age group and geographical region		Number of employees (person)	Proportion (%)	Number of employees (person)	Proportion (%)
By gender	Male	2,567	76.54%	2,669	77.01%
	Female	787	23.46%	797	22.99%
By employment type	Full time	3,354	100%	3,466	100%
	Part time	0	0%	0	0%
By age group	17-30	1,035	30.86%	1,173	33.84%
	31-40	1,229	36.64%	1,232	35.55%
	41-50	825	24.60%	825	23.80%
	Above 51	265	7.90%	236	6.81%
By geographical region	Mainland China	3,354	100%	3,466	100%
Total workforce		3,354		3,466	
Employee turnover rate by gender, age group and geographical region		Number of resigned employees (person)	Turnover rate (%)	Number of resigned employees (person)	Turnover rate (%)
By gender	Male	301	10.5%	353	13.23%
	Female	51	6.09%	78	9.79%
By age group	17-30	164	13.68%	225	19.18%
	31-40	102	7.66%	119	9.66%
	41-50	63	7.09%	60	7.27%
	Above 51	23	7.99%	27	11.44%



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Key Performance Indicators		2024		2023	
By geographical region	Mainland China	352	9.5%	431	12.44%
Health and Safety					
Number of work-related fatalities		0		0	
Lost days due to work injury		156.5		127	
Training data of employees by gender and rank					
		Trainee ratio (%)	Per capita training hours (hour)	Trainee ratio (%)	Per capita training hours (hour)
All employees of the Group		100%	9.32	100%	11.26
By gender	Male	100%	9.32	100%	11.43
	Female	100%	9.32	100%	10.69
By rank	Senior management	100%	9.32	100%	16.92
	General management	100%	9.32	100%	18.80
	Non-management employees	100%		100%	10.95
Supplier					
Total number of suppliers		Supplier	1,881	Supplier	1,518
Suppliers by geographical region	Mainland China	Supplier	1,881	Supplier	1,518
Hong Kong, Macao, Taiwan and overseas		Supplier	0	Supplier	0

Explanations on social data:

- During the Reporting Period, the Group recorded a total of 4 safety accidents, in which employees were accidentally injured in the work area, and the Group applied for work-related injury insurance for the injured employees and ensured that they were properly handled.

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

ESG indicators		Disclosure	Corresponding section
A1 General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Disclosed	Environmental Emission
A1.1	The types of emissions and respective emissions data.	Disclosed	Environmental Emission
A1.2 <i>(This indicator will be moved to Part D of the ESG Reporting Guide from the financial year beginning 1 January 2025)</i>	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	Environmental Emission Appendix
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	Environmental Emission Appendix
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	Environmental Emission Appendix
A1.5	Description of emissions target(s) set and steps taken to achieve them.	Disclosed	Environmental Emission
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Disclosed	Environmental Emission



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

ESG indicators		Disclosure	Corresponding section
A2 General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Disclosed	Environmental Emission
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Disclosed	Environmental Emission Appendix
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Disclosed	Environmental Emission Appendix
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Disclosed	Environmental Emission
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Disclosed	Environmental Emission
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A	The Group's business does not involve the use of packaging materials
A3 General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Disclosed	Environmental Emission
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Disclosed	Environmental Emission
A4 General Disclosure (This indicator will be moved to Part D of the ESG Reporting Guide from the financial year beginning 1 January 2025)	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Disclosed	Dealing with climate changes
A4.1 (This indicator will be moved to Part D of the ESG Reporting Guide from the financial year beginning 1 January 2025)	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Disclosed	Dealing with climate changes

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

ESG indicators		Disclosure	Corresponding section
B1 General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Disclosed	Rights and Interests of Employees
B1.1	Total workforce by gender, employment type (for example, full – or part-time), age group and geographical region.	Disclosed	Rights and Interests of Employees Appendix
B1.2	Employee turnover rate by gender, age group and geographical region.	Disclosed	Rights and Interests of Employees Appendix
B2 General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Disclosed	Rights and Interests of Employees
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Disclosed	Rights and Interests of Employees Appendix
B2.2	Lost days due to work injury.	Disclosed	Rights and Interests of Employees Appendix
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Disclosed	Rights and Interests of Employees
B3 General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Disclosed	Rights and Interests of Employees
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Disclosed	Rights and Interests of Employees Appendix
B3.2	The average training hours completed per employee by gender and employee category.	Disclosed	Rights and Interests of Employees Appendix



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

ESG indicators		Disclosure	Corresponding section
B4 General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Disclosed	Rights and Interests of Employees
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Disclosed	Rights and Interests of Employees
B4.2	Description of steps taken to eliminate such practices when discovered.	Disclosed	Rights and Interests of Employees
B5 General Disclosure	Policies on managing environmental and social risks of the supply chain.	Disclosed	Product Responsibility
B5.1	Number of suppliers by geographical region.	Disclosed	Product Responsibility Appendix
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Disclosed	Product Responsibility
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Disclosed	Product Responsibility
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Disclosed	Product Responsibility
B6 General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Disclosed	Product Responsibility
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A	The Group does not involve downstream consumers
B6.2	Number of products and service related complaints received and how they are dealt with.	Disclosed	The Group has not received complaints about products or services/
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Disclosed	Product Responsibility
B6.4	Description of quality assurance process and recall procedures.	Disclosed	Product Responsibility
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	N/A	The Group does not involve downstream consumers

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

ESG indicators		Disclosure	Corresponding section
B7 General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Disclosed	Corporate Governance
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Disclosed	Corporate Governance
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Disclosed	Corporate Governance
B7.3	Description of anti-corruption training provided to directors and staff.	Disclosed	Corporate Governance
B8 General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Disclosed	Rural Revitalization and Social Contribution
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Disclosed	Rural Revitalization and Social Contribution
B8.2	Resources contributed (e.g. money or time) to the focus area.	Disclosed	Rural Revitalization and Social Contribution
Part D: climate-related disclosure	This part will take effect from the financial years commencing on or after 1 January 2025, and was still disclosed in accordance with the Appendix C2 to the Environmental, Social and Governance Reporting Guide dated 31 December 2023 during the Reporting Period.		



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

Appendix 4. Index of the Self-regulatory Guidelines for Listed Companies No. 14 of the Shanghai Stock Exchange – Sustainable Development Report (Trial)

Disclosure requirement	Corresponding section (If relevant issues are not disclosed, full explanations should be made in accordance with Article 7 of the Guidelines)
Dealing with climate changes	Dealing with climate changes
Pollutant discharge	Environmental Emission
Waste disposal	Environmental Emission
Ecosystem and biodiversity conservation	Environmental Emission
Environmental compliance management	Environmental Emission
Energy use	Environmental Emission
Water resources utilization	Environmental Emission
Circular economy	Product Responsibility
Rural revitalization	Rural Revitalization and Social Contribution
Social contribution	Rural Revitalization and Social Contribution
Innovation-driven	Product Responsibility
Scientific and technological ethics	N/A, the Group is not engaged in scientific research or technological development in ethically sensitive fields such as life sciences and artificial intelligence
Supply chain security	Product Responsibility <i>During the Reporting Period, the Company did not have a balance of accounts payable (including notes payable) exceeding RMB30 billion or accounting for more than 50% of the total assets.</i>
Equal treatment of small and medium-sized enterprises	Product Responsibility
Product and service safety and quality	Product Responsibility
Data security and customer privacy protection	Corporate Governance
Staff	Rights and Interests of Employees
Due diligence	Sustainable development management
Communication with stakeholders	Sustainable development management
Anti-commercial bribery and anti-corruption	Corporate Governance
Anti-unfair competition	Corporate Governance

Appendix 5. Laws and Regulations

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

ESG Guide of the Hong Kong Stock Exchange	Relevant laws and regulations	Disclosure of compliance	Methods to ensure compliance with relevant laws, regulations and rules
	<ul style="list-style-type: none"> • Technical Specification for QR Code Identification at Pollutant Discharge Outlet of Pollutant Discharging Unit • Technical Specification for Quality Verification of Pollutant Discharge Permit • Technical Guide for On-site Supervision and Inspection of Solid Waste Incineration Power Plants • Technical Specification for Statistics of Ecological Environment – Statistics of Emission Sources • Measures for the Administration of Ecological and Environmental Statistics • Technical Specification for Quality Verification of Pollutant Discharge Permit • Pollution Control Standards for Domestic Waste Incineration 		
B1 Employment	<ul style="list-style-type: none"> • Labor Law of the People's Republic of China • Labor Contract Law of the People's Republic of China • Law of the People's Republic of China on the Protection of Women's Rights and Interests • Social Insurance Law of the People's Republic of China • Regulations on Paid Annual Leave for Enterprise Employees • Housing Provident Fund Management Regulations • Special Regulations on the Labor Protection of Female Employees • Regulations of the State Council on Working Hours of Employees • Minimum Wage Regulations 	<p>During the Year, the Group did not violate any laws and regulations relating to recruitment and promotion, compensation and dismissal, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p>	<p>The human resources department has established different policies in accordance with the requirements of relevant laws, and adheres to the principles of open, fair and just selection and employment; at the same time, the labor union of the Group continues to provide employees with various benefits, condolences and leisure activities.</p> <p>For more information about Dynagreen's compliance with laws and regulations in relation to employment, please refer to the chapter headed "Recruitment and Development" in the Report.</p>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

ESG Guide of the Hong Kong Stock Exchange	Relevant laws and regulations	Disclosure of compliance	Methods to ensure compliance with relevant laws, regulations and rules
B2 Health and Safety	<ul style="list-style-type: none"> • Safety Production Law of the People's Republic of China • Law of the People's Republic of China on Prevention and Control of Occupational Diseases • Fire Protection Law of the People's Republic of China • Work Injury Insurance Regulations • Regulations on the Medical Period for Enterprise Employees' Illness or Non-work-related Injuries 	During the Year, the Group did not record any work accident or violate any laws and regulations relating to the health and safety of employees.	<p>Formulation of a safety management system and a safety responsibility system, strict implementation of safety production policies, provision of employees with safety protection equipment and safety education and training, and work in accordance with safety operation guidelines.</p> <p>For more information about Dynagreen's compliance with laws and regulations in relation to safety and health, please refer to the chapter headed "Rights and Interests of Employees" in the Report.</p>
B4 Labor Standard	<ul style="list-style-type: none"> • Labor Law of the People's Republic of China • Law of the People's Republic of China on the Protection of Minors • Provisions on the Prohibition against Using Child Labor • Labor Security Supervision Regulations 	During the Year, the Group had no major violations of laws and regulations or litigation related to the employment of child labor or forced labor.	<p>The Group strictly prohibits the use of child labor and forced labor.</p> <p>For more information about Dynagreen's compliance with laws and regulations in relation to labor, please refer to the chapter headed "Rights and Interests of Employees" in the Report.</p>



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024 (CONTINUED)

ESG Guide of the Hong Kong Stock Exchange	Relevant laws and regulations	Disclosure of compliance	Methods to ensure compliance with relevant laws, regulations and rules
B6 Product Responsibility	<ul style="list-style-type: none"> Tort Liability Law of the People's Republic of China Product Quality Law of the People's Republic of China 	During the Year, the Group was not aware of any major violations of laws and regulations related to product responsibility.	<p>The Group and the supply chain strictly implement the quality management system to ensure that the quality of each service complies with relevant laws and regulations and customer requirements.</p> <p>For more information about Dynagreen's compliance with laws and regulations in relation to labor, please refer to the chapter headed "Product Responsibility" in the Report.</p>
B7 Anti-corruption	<ul style="list-style-type: none"> Anti-unfair Competition Law of the People's Republic of China Anti-money Laundering Law of the People's Republic of China Criminal Law of the People's Republic of China 	During the Year, the Group had no serious violations of laws and regulations in relation to prevention of bribery, extortion, fraud and money laundering.	<p>The Group has formulated an anti-corruption system and carries out clean internal audit work. Meanwhile, integrity culture training and publicity are provided for employees.</p> <p>For more information about Dynagreen's compliance with laws and regulations in relation to labor, please refer to the chapter headed "Corporate Governance" in the Report.</p>
B8	<ul style="list-style-type: none"> Charity Law of the People's Republic of China 	During the Year, the Group had no violations of relevant laws.	<p>The Group proactively participates in charitable activities.</p> <p>For more information about Dynagreen's compliance with laws and regulations in relation to charity, please refer to the chapter headed "Rural Revitalization and Social Contribution" in the Report.</p>