光大綠色環保
Everbright Greentech

Stock Code: 1257

(Incorporated in the Cayman Islands with limited liability)

2024
SUSTAINABILITY REPORT

CONTENT

FEEDBACK

The Group holds the views of stakeholders in high regard. You are welcome to contact the Group via info@ebgreentech.com if you have any queries or suggestions relating to the contents or reporting format of this Report.

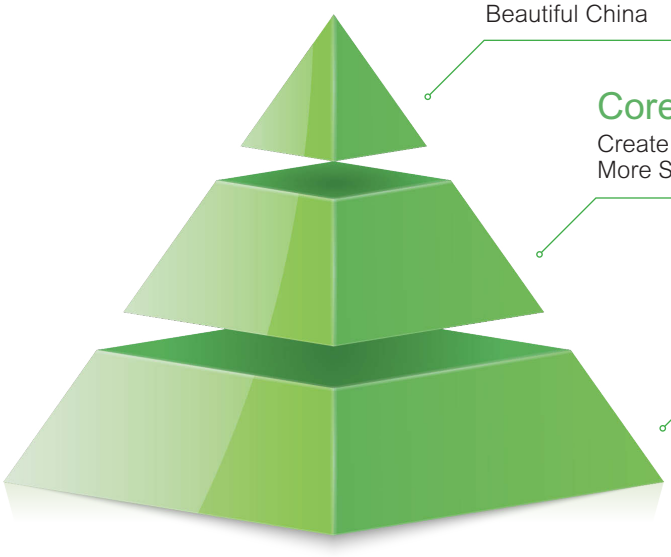
COMPANY PROFILE

China Everbright Greentech Limited ("Everbright Greentech" or the "Company" or together with its subsidiaries, the "Group") is a professional environmental protection service provider in China, with its businesses focusing on integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation, solar energy and wind power, it listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 8 May 2017 (Stock Code: 1257). Upholding its philosophy of leading the way through business innovations, Everbright Greentech took a pioneer role to introduce integrated urban and rural waste treatment project in Mainland China. Currently, the Company has its business coverage spanning across 16 provinces, autonomous region and Hong Kong Special Administrative Region ("Hong Kong") in China, and spreads far to Germany.

With strong support from China Everbright Group Limited ("China Everbright Group") and the controlling shareholder, China Everbright Environment Group Limited ("CEEGL"), and leveraging on its own extensive experience in the development and operation of diversified project portfolio as well as its unparalleled market expansion capability, the Group will continue to follow the instruction to be "Prudent, Proactive and Practical", bearing in mind its initial commitment and mission as it strives incessantly to become a leader in China's environmental business sector.

Since its listing in May 2017, Everbright Greentech has been actively responding to global environmental, social and governance ("ESG") development trends and its performance has been well recognised and has captured the attention of institutional investors who value sustainability.

Corporate Culture



Corporate Mission

Devoted to Ecology and Environment for a Beautiful China

Core Values

Create Better Investment Value and Undertake More Social Responsibility

Corporate Vision

To Become a Clean Energy Operator with New-quality Productivity and Core Competitiveness

Business Overview

The Group is principally engaged in the businesses of integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation, solar energy and wind power. As of 31 December 2024, the Group had 144 environmental protection projects with a total investment of approximately RMB 31.014 billion and had undertaken 67 environmental remediation projects with a total contract amount of approximately RMB 1.727 billion.

During the Reporting Period, the Group secured 14 new projects and entered into 1 supplementary solar energy agreement of Feng County, involving an additional total investment of approximately RMB 300 million and environmental remediation projects with a total contract amount of approximately RMB 134 million. Such new projects included 1 integrated biomass utilisation project, 4 zero-carbon industrial park projects and 9 environmental remediation projects. In terms of project scale, the installed capacity for solar energy generation was increased by 56.46 MW coupled with an additional 12.2 MW/24.4MWh storage capacity, while the designed capacity for steam supply was increased by approximately 450,000 tonnes per annum.

Integrated Biomass Utilisation

The Group mainly utilises biomass raw materials to generate both electricity and heat. Biomass raw materials are categorised into yellow culms and grey culms. Yellow culms consist of agricultural residues, such as wheat straw, rice straw, corn straw, rice husks, peanut husks, etc.; while grey culms consist of forestry residues such as branches, barks and other manufacturing wood wastes, etc. In addition, the Group has developed a unique business model of urban-rural integration combining the construction of integrated biomass utilisation projects and waste-to-energy projects for integrated treatment of agricultural and forestry residues and rural household wastes in a pioneering attempt at treatment of the ecological environment in county areas. The unique advantage of the Group's urban-rural integration model enables it to significantly lower the operating costs of projects and enhance our competitiveness in the industry.

As of 31 December 2024, the Group had a total of 56 integrated biomass utilisation projects, distributed variously in 10 provinces in China, which were mainly located in Anhui Province, Jiangsu Province, Shandong Province, Hubei Province and Henan Province, etc. Such projects commanded a total investment of approximately RMB 17.29 billion and provided an aggregate power generation designed capacity of 1,069 MW, an aggregate annual biomass processing designed capacity of approximately 8,209,800 tonnes, and a daily aggregate household waste processing designed capacity of approximately 11,610 tonnes.

Hazardous and Solid Waste Treatment

The Group is principally engaged in the safe treatment and integrated utilisation of wastes including general industrial solid wastes, hazardous wastes and infectious animal carcasses. Currently, the Group conducts the disposal by way of incineration, landfill, physicochemical treatment and integrated utilisation. The Group is a leading industry player in the hazardous waste treatment business, with capabilities for safely disposing of 44 out of 46 categories of hazardous wastes listed in the *National Catalog of Hazardous Wastes*. During the year under review, the Group continued to explore the potential of the general industrial solid waste electricity and heat cogeneration business. The Group is well-positioned to fully meet various requirements of customers on the back of its solid technical strengths and ability to provide one-stop services.

As of 31 December 2024, the Group had a total of 51 hazardous and solid waste treatment projects, distributed variously in 8 provinces and autonomous regions in China, which were mainly located in Jiangsu Province, Shandong Province, Anhui Province, Hubei Province, Zhejiang Province, etc. Such projects commanded a total investment of approximately RMB11.658 billion and an aggregate annual processing designed capacity of approximately 2,466,000 tonnes.

Environmental Remediation

The Group's environmental remediation business covers mainly the restoration of industrial contaminated sites, restoration of contaminated farmland, ecological restoration for mines and landfills, treatment of industrial gas emission, integrated treatment of oil sludge, treatment of river and lake sediments and industrial sludge, construction and operation of wetland parks, environmental stewardship services and anti-seepage at landfill sites.

As of 31 December 2024, the Group had 17 environmental remediation projects under implementation, which were mainly located in Jiangsu Province, Anhui Province, Zhejiang Province, Guangdong Province and Yunnan Province respectively, with a total contract amount of approximately RMB 689 million.

Solar Energy and Wind Power

Apart from the County-wide Advancement Solar Project in Feng County, as of 31 December 2024, the Group has 30 operating and completed solar energy projects,1 distributed energy storage project and 2 wind power projects in operation distributed in Jiangsu Province, Anhui Province, Guangdong Province, Shanxi Province, Hong Kong and Germany, respectively, involving a total investment of approximately RMB 1.757 billion and providing an aggregate power generation designed capacity of 214.66 MW. In addition, there are 3 Zero-carbon Industrial Park projects currently under preparation, mainly distributed in Jiangsu Province with a total investment of approximately RMB 147 million and an aggregate power generation designed capacity of 37.46 MW. The Group is responsible for building, managing and operating these projects and selling electricity generated to local power grid companies.

As at 31 December 2024, the Group's County-wide Solar Energy Advancement Project in Feng County included 18 subsidiary projects with a total investment of approximately RMB 191 million and an aggregate power generation designed capacity of 48.61 MW, of which 9 projects with an aggregate power generation designed capacity of 27.88 MW were in operation and 9 projects with an aggregate power generation designed capacity of 20.73 MW were under preparation.

MESSAGE FROM THE CHAIRMAN

In 2024, as global efforts to combat climate change accelerated, green and low-carbon transition has become an important global trend. Under the leadership of China Everbright Group and CEEGL, the Group has been actively implementing national development strategies aligned with the country's "Dual Carbon" goals and has adopted "Empower Change with Action and Impact" as the guiding theme for the year. As we continue to deepen our focus on the clean energy sector and enhance the core competitiveness of our key businesses, we are also driving technological innovation and expanding our low-carbon business initiatives, aiming to strengthen our momentum for green development and promote high-quality, sustainable growth.

Staying true to our mission and safeguarding the lucid waters and lush mountains. The Group is committed to defending the blue sky, clear water and clean land, with the strategic goal of "To Become a Clean Energy Operator with New-quality productivity and Core Competitiveness". Guided by the strategy to "reinforce principal businesses and drive transformation", we have further enhanced the operational efficiency of our biomass, household wastes, and general industrial solid waste treatment projects. Additionally, we have strengthened the refined management of our hazardous and solid waste treatment projects, expanded the scope of our environmental remediation services, and scaled up our businesses relating to wind power, solar energy, energy storage, and charging. At the same time, we have optimised and refined the innovative "Zero-carbon Industrial Park + Virtual Power Plant" model, accelerating its large-scale adoption. By integrating our green electricity resources and advancing the development of virtual power plants and green power trading platforms, we have achieved significant progress in our transition. In 2024, the Group supplied a total of 6.67 billion kWh of green

electricity and 3.61 million tonnes of steam, contributing to approximately 3.4 million tonnes of CO_2 equivalent emissions reduction and playing a vital role in supporting the country's energy transition and advancing its "Dual Carbon" goals.

Fulfilling our responsibilities and return to society. The Group has actively leveraged its industrial strengths to support rural revitalisation. Our unique integrated biomass and household wastes model has delivered significant benefits to farmers and rural communities. In 2024, the complete industry chain of our biomass utilisation projects, which includes collection, storage, transportation, and processing of straw, directly and indirectly created 43,875 jobs, increased farmers' income by approximately RMB 2.503 billion, and benefited over 4,956,000 farmers. This has successfully established a sustainable cycle that integrates ecological management, industrial value enhancement, and livelihood improvement, achieving both environmental and social benefits. The Group values employees as its most prized asset and continuously enhances its personnel policies. We have established comprehensive talent development programmes, management systems, and incentive mechanisms to strengthen our professional workforce. Furthermore, we actively practice and promote the culture of "Real Action, Immediate Implementation" which encourages and rewards hard work, fostering innovation. This also strives to enhance employees' well-being and sense of fulfillment in both work and life. In order to safeguard the employees' health and safety, the Group has strengthened inspections, trainings, and investments in safety, occupational health, and environmental management, resulting in no safety or environmental incidents of level 4 or above occurred during the Reporting Period.

Holistic management to enhance corporate governance. To seize new opportunities in green development and support the nation's green and low-carbon transition, the Group continues to strengthen its technological capabilities. We have focused our efforts on advancing research in low-carbon combustion, integrated carbon and pollutant removal, carbon capture, and ultra-low emissions technologies. Several core innovations have received national and provincial recognition, with reaching internationally advanced standards. Additionally, we are strategically advancing research into high-value biomass utilisation and actively developing "Zero-carbon Industrial Park + Virtual Power Plant" technologies to drive the Group's development forward. The Group recognises that the global climate transition presents both risks and opportunities. Therefore, we have further strengthened corporate risk management, continuously enhanced risk mitigation strategies, and integrated ESG risks into our enterprise risk management framework. During the Reporting Period, the Group referred to the *ESG Code* of the Stock Exchange for guidance on the new climate disclosure requirements and implementation guidelines. Considering the nature of our business, we conducted a comprehensive risk identification, assessment and prioritisation, thoroughly analysing the potential impacts of ESG risks (particularly climate-related risks) on our operations. We will also continue to review our climate risk management effectiveness and refine our response strategies, in order to ensure stable and sustainable growth during the low-carbon transition.

In 2024, the Group's performance and achievements garnered widespread recognition, earning 5 accolades in total—the *Yazhou Zhoukan* "Global Excellence ESG Award 2022-23" for the third time, the BOCHK Corporate Low-Carbon Environmental Leadership Awards 2023 "EcoChallenger" certificate for the sixth time, and 3 awards jointly presented by Sing Tao News Corporation and The Hong Kong Polytechnic University, namely the "Outstanding ESG Environmental Performance Award", "Outstanding ESG Corporate Governance Performance Award" and "ESG Commendation Certificate" for the first time, as well as the continued recognition as an "Annual Partner" from Plan International.

Looking ahead, we will focus on steady progress and stability in our core businesses. We will further advance our core development strategy, driving technological innovation, internationalisation path, and an Industrial ecological system ("Two Transformations and One Model"). At the same time, we will proactively manage and mitigate risks in key areas while seizing opportunities in green development. By contributing to ecological civilisation and social well-being, we aim to strengthen our core capabilities and drive "Second-stage Entrepreneurship". This initiative will help us achieve the goals outlined in the "15th Five-Year Plan". Sustainable corporate growth relies on strong stakeholders collaboration. Therefore, we will continue working hand in hand with our partners to drive stable business growth, deepen our corporate social responsibility efforts, and collectively shape a new chapter of green, low-carbon, and sustainable development.

MESSAGE FROM THE CEO

ZHU Fugang

In 2024, China further deepened its efforts to promote green development. As ESG policies were gradually implemented, the importance of enterprises in sustainable development has become increasingly evident. During the Reporting Period, the Group aligned with national development trends by adopting a more comprehensive double materiality assessment approach. This enabled us to thoroughly examine and evaluate both the Group's operational impacts on the environment and society, as well as the financial impact of various ESG issues on our business. Based on the assessment results, the Group continues to advance specific objectives around our 5 pillars of sustainable development: "Safe Production", "Green Recycling", "Stable Supply", "Technological Development" and "Employee Development".

During the Reporting Period, the Group continuously deepened its commitment to corporate responsibility and enhanced ESG management capabilities, leveraging ESG to drive overall management improvement. We organised sustainability meetings across departments and business centres, collaborating with core management to review and update sustainability strategic goals, develop ESG work plans, and incorporate ESG objectives into performance appraisals, aligning ESG initiatives with business operations. The Group prioritises high-quality information disclosure. In addition, we have advanced data management integration, conducted internal ESG data audits, and obtained ISO 14064 verification to further enhance ESG disclosure transparency and credibility.

The Group firmly believes that close communication and cooperation with stakeholders are crucial to achieving long-term development. With the trust and support of governments, investors, employees, and partners, we will continue to collaborate towards sustainable development and build a better future.

Safe Production

The Group continuously improves safe production standardisation and dual prevention mechanisms, establishing rigorous risk identification processes to comprehensively identify and assess potential safety risks. At the same time, we continuously optimise the occupational health and safety management system while actively incorporating employee feedback to enhance the effectiveness and sustainability of our safety management.

To comprehensively enhance safety management, the Group formulated and released the *Three-Year Action Plan for Fundamental Safety Production (2024-2026)* during the Reporting Period. Through setting three-year governance enhancement objectives and introducing 18 key measures, we aim to strengthen hazard identification and rectification, enhance incident prevention capabilities, and comprehensively improve employee safety skills and competencies. To ensure effective implementation, the parent company, CEEGL, developed the *Cross-Sector Safety and Environmental Supervision and Support Plan (2024 Trial)*, leveraging in-depth inspections and cross-sector collaboration to strengthen the Group's safety and environmental management standards and ensure steady progress in safety and environmental management work.

Green Recycling

In support of the national "Dual Carbon" strategy and the *14th Five-Year Plan for Circular Economy Development*, the Group leverages its existing businesses to drive the low-carbon transition and explore low-carbon opportunities. During the Reporting Period, the Group constructed 4 zero-carbon industrial parks, including Changzhou Xinzha Zero-carbon Industrial Park received the first "Zero-carbon Industrial Park" certification. Additionally, 3 of our projects completed multiple transactions on the National Green Electricity Certificate Trading Platform. Our first biomass gasification project commenced construction, with operations expected to begin in June 2025. Furthermore, we introduced our first batch of biomass organic fertilisers to the market. The low-carbon transformation is developing rapidly, with remarkable achievements.

In terms of resource recycling, EB Greentech Renewable Material (Huangshi) Limited successfully obtained ISCC EU and ISCC PLUS certifications for its end-of-life type recycling and pyrolysis oil under the International Sustainability and Carbon Certification (ISCC) system. These certifications confirm that the projects' comply with international sustainability standards, solidifying the Group's position in the global biofuel supply chain. Meanwhile, other solid waste recycling operations are progressing steadily.

Regarding environmental protection, the Group is fully committed to fulfilling its environmental responsibilities, strictly controlling environmental pollution risks related to emissions, solid waste, and wastewater discharge. In the biomass and waste-to-energy sectors, we have undertaken 14 ultra-low emission conversion projects, effectively minimising the impact on local environmental quality by continuously reducing air pollutant concentrations.

Stable Supply

According to the *Blue Book on Climate Change in China 2024* published by the China Meteorological Administration, the global climate system remains on a warming trend, with China's annual average temperature and precipitation expected to keep rising, posing significant challenges to energy supply in multiple provinces. In response, the Group actively supports national energy policy by allocating sufficient manpower and resources to ensure safe and stable power plant operations and reliable electricity supply during peak summer demand.

To establish a stable and reliable raw material supply system, the Group implemented a series of optimisation measures during the Reporting Period including expanded sourcing channels, improved supplier management, and enhanced the fuel procurement system in surrounding areas. Additionally, through merit-based reforms in the hazardous and solid waste business centres, the Group effectively enhanced employees' motivation and efficiency in sourcing raw materials. In terms of supply chain management, the Group is committed to building long-term, mutually beneficial, and win-win partnerships with its collaborators. We have strengthened end-to-end supply chain oversight by implementing stringent supplier selection and management policies, while leveraging the Everbright Environment's electronic transaction platform for tendering and procurement, to strengthen the supervision and management of the tendering and bidding, effectively preventing any regulatory and disciplinary violations.

The Group places great importance on cybersecurity and information security by incorporating relevant provisions into the *Code of Corporate Conduct* during the Reporting Period. Employees are reminded to remain vigilant against fraudulent emails, phishing scams, and artificial intelligence ("AI")-driven deepfake fraud, and to stay alert and verify all transaction requests. The Group also organised cybersecurity trainings and uploaded relevant resources to its online training platform, in aims to continuously enhance employees' knowledge and skills in cybersecurity.

Technological Development

The Group drives sustainable development through innovation and continues to increase investment in research and development. Our focus remains on waste management, renewable energy, distributed energy systems, high-value utilisation of biomass, and carbon capture, striving to achieve green development and enhance new productive forces.

During the Reporting Period, the Group achieved breakthroughs in core technologies, fostering deep integration between technological research and business operations. Significant achievements were made in terms of technological innovation—"Key Technologies and Applications for Low-Carbon Combustion of Multi-Source Industrial Solid Waste" and "Key Technologies and Equipment for Hydrogen-Carbon Cogeneration and Simultaneous Carbon and Pollution Removal from Agroforestry Wastes" were both awarded the First Prize for Scientific and Technological Progress by Jiangsu Province; "Key Technologies for Multi-Effect Purification of Flue Gas from Organic Solid Waste Incineration and Hierarchical Utilisation of Fly Ash" received the First Prize in Scientific and Technological Progress by Hubei Province; "Integrated Mid/High-Temperature SCR Denitrification Technology for Biomass Boilers" was awarded the Second Prize for Science and Technology of Environmental Equipment by the China Association of Machinery Industry for Environmental Protection and was recognised as achieving an internationally advanced level. These achievements fully demonstrated the Group's progress and strength in environmental technology innovation.

In terms of low-carbon transition through digitalisation, the Group focused on advancing the development of a zero-carbon industrial park energy and carbon management platform. Through digital solutions, we would enable real-time monitoring of corporate energy consumption, data analysis, and carbon reduction management. We also advanced the development of a virtual power plant trading platform, integrating solar energy generation and energy storage systems, and by leveraging Internet of Things ("IoT") technology to achieve virtual power integration, optimising the efficiency of green electricity utilisation.

Employee Development

The Group adheres to the "people-oriented" talent strategy, committed to creating an inclusive, equitable, and collaborative work environment. We continuously enhance our high-calibre talent recruitment and development mechanisms while whilst developing a versatile, diversified and multi-dimensional career development path and a broad career development platform for employees. During the Reporting Period, the Group further refined its job grading management system by establishing clear promotion criteria, procedures, and exit mechanisms, boosting employee motivation and unlock their potential.

Regarding occupational health and safety, the Group effectively reduced accident risks and incident rates through enhancing the safety management system and conducting thorough hazard identification and mitigation. At the same time, we remain committed to safeguarding employees' physical and mental well-being, fulfilling our duty of care, and fostering a safe, healthy, and harmonious workplace.

Looking ahead, global climate change, energy transition, and environmental governance present both challenges and opportunities. With strong support from China Everbright Group and Everbright Environment, we will continue to uphold principles of sustainable development and value creation. We will actively align with and support national development strategies, deepen our efforts in the clean energy sector, and strive to contribute to building a beautiful China and achieving the "Dual Carbon" goals through "Everbright Power".

ABOUT THE REPORT

Reporting Period and Scope

This Sustainability Report (the "Report") relates to the Group's sustainable development strategy, major performance and future directions for the period from January 1, 2024, to December 31, 2024 (the "Reporting Period"). During the Reporting Period, the Report continued to focus on the operation of the Group's integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation, solar energy and wind power. The environmental and social key performance indicators (KPIs) will cover the Group's headquarters in Hong Kong, Shenzhen, and Changzhou, and projects over which the Group exercised operational control. Compared to the 2023 Sustainability Report, the Report includes 17 new projects. Details of the business segments are set out in "Company Profile" on pages 3 to 6 of this Report. For further information about the Group, such its performance in corporate governance and financial performance, please refer to the Company's Annual Report 2024 (the "Annual Report").

Reporting Standards and Principles

This Report was prepared in accordance with the *Environmental, Social and Governance Reporting Guide* (Appendix C2 to the *Rules Governing the Listing of Securities on the Stock Exchange* (the "Listing Rules")[1] and was made reference to the *Global Reporting Initiative Sustainability Reporting Standard* ("GRI Standards"). The disclosure of indicators in this Report can be found in Appendix 4 and Appendix 5.

We firmly believe that maintaining high standards of information disclosure is crucial for the Group to achieve efficient and sustainable management. In preparing the Report, the Group has adhered to the 11 reporting principles (as shown in the table on the right).

Principle	Description	Response of the Group
Stakeholder Inclusivity	The report should explain how stakeholders have been identified and how their views and expectations have been addressed.	During the Reporting Period, the Group gathered stakeholders' views and suggestions through communication activities, and these inputs formed the primary basis of the Group's reporting. Also, the Group has screened its major stakeholders in a responsible manner according to the principles of responsibility, influence, proximity, dependence and representativeness.
Sustainability Context	The report should illustrate the entity's performance in a broader sustainability context.	When reporting various sustainability issues, the context of the industry, region and the world have been taken into consideration, taking into account the Group's own sustainability strategies, risks, opportunities and goals.
Materiality	The report should reflect the notable economic, environmental, and social impact of the entity, or areas which have a substantial impact on stakeholders' evaluation of and decisions regarding the entity.	Based on the nature of the Group's business, operation modes, locations, and the results of stakeholder engagement, sustainability issues that are of high importance to stakeholders and have a significant impact on the Group have been identified.
Completeness	The report should explain in reasonable detail the scope and timing of the impact of material issues identified.	The Group has evaluated and reported on the impact of all material sustainability issues for the Reporting Period and has provided responses.
Accuracy	The report should provide sufficient accurate and detailed information to facilitate stakeholders' evaluation of the performance of the entity.	The Group's internal control and vetting procedures ensure the accuracy and reliability of all information.
Balance	The entity should prepare the report in an impartial manner and ensure clear explanation of both positive and negative impacts, so that stakeholders may reasonably evaluate its overall performance.	In the preparation of this Report, while emphasising the Group's achievements in ESG, the Group has also described the difficulties encountered and their solutions.
Clarity	The report should present information clearly for ease of stakeholders' understanding and access.	This Report is presented in a manner that is easily comprehensible and accessible to stakeholders with a certain degree of knowledge of the Group and its businesses.
Comparability and Consistency	The report should disclose information in a consistent format, so that stakeholders can analyse and evaluate the performance of the entity during different periods. The entity should provide explanations in respect of any change in the methods of disclosure.	This Report presents past KPIs and information to allow stakeholders to compare performance on a year-on-year basis.
Reliability	The report should explain the manner in which the information has been collected, recorded, edited, analysed and reported, so that stakeholders can confidently review its quality and truthfulness.	The information and data disclosed in this Report have undergone internal review, validated by third-party institution, as well as endorsed and approved by the Board of Directors of the Company (the "Board"). This ensures the clarity of the data, with no false statements, misleading representations, or material omissions.
Timeliness	Regular reporting should be conducted to furnish stakeholders with timely information, so that they can make informed decisions.	This Report clearly presents general information related to the Group's economic, environmental, and social impacts during the Reporting Period.
Quantitative Measurement	The report should disclose KPIs in measurable terms.	The Group has provided quantitative information within a reasonable scope and clearly outlined the standards, calculation methods, and assumptions used.

[1] This refers to the version effective from December 31, 2023, to December 31, 2024. The latest version of the *Environmental, Social and Governance Reporting Code* (the "ESG Code") will take effect in the next year. To assist the Group in gradually aligning with the ESG Code's disclosure requirements, some sections of this report have already been structured and presented in advance according to its provisions.

Process of Report Preparation

The preparation process for the Report was consistent with that of the previous Sustainability Reports, following the process of material issues identification, report drafting and information verification. The details are as follows:

Description of Data

The Group undertakes that all information and data[2] collected have been sourced from the Group's internal documents and statistical reports, and have been approved by internal control and vetting procedures. Data analysis has been conducted in accordance with relevant local or international guidelines and standards, such as the estimation of greenhouse gas ("GHG") emissions of projects according to computational methods approved under the Clean Development Mechanism[3] ("CDM"), and has been subjected to third-party verification. All data presented in the Report are subject to rounding adjustments except for integers.

Verification of Report

The Board considers sustainability an important part of its corporate development strategy, and the Report was approved by the Board on 18 March 2025. In addition, to ensure compliance with relevant reporting standards, the Report has been independently audited and verified by the Hong Kong Quality Assurance Agency. The verification statement is set out on pages 113 to 119 of the Report.

Access and Feedback for the Report

This Report is available in both Chinese and English versions and has been uploaded to the websites of Everbright Greentech (https://www.ebgreentech.com/) and Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) for download and viewing. In the event of any discrepancy between the Chinese and English versions, the Chinese version shall prevail. Unless otherwise stated, if any discrepancy between this Report and the Annual Report 2024, the Annual Report 2024 shall prevail.

The Group welcomes all stakeholders and the public to provide valuable comments and suggestions to info@ebgreentech.com on the content of the Report, the reporting approach, and the Group's sustainability performance.

---

2 The key performance indicators in this Report have been computed and reported based on "operational boundary" data.

3 A flexible mechanism for GHG reduction defined in the *Kyoto Protocol* under the *United Nations Framework Convention on Climate Change*. Its methodology provides the basis for the determination of baselines and project boundaries as well as the calculation of GHG emission data such as the volume of emission reduction and cost efficiency of emission reduction, among others.

OVERVIEW OF SUSTAINABILITY PERFORMANCE

Economic Performance

Total assets
HKD 36.332 billion

Total revenue
HKD 6.977 billion

Total number of projects: 211
(including 67 environmental remediation projects)

Total investment
RMB 31.014 billion

Environmental remediation service amount
RMB 1.727 billion

Environmental Performance

Clean Energy Business

Integrated utilisation of agricultural and forestry waste
7,527,384 tonnes

Household waste
3,581,142 tonnes

General industrial solid waste
380,672 tonnes

On-grid electricity supply
6,410,638 MWh

Steam supply
3,607,859 tonnes

Hot water supply
170,059 GJ

Solar and wind power generation installed capacity[4]
197 MW

On-grid electricity supply[4]
254,504 MWh

Hazardous and Solid Waste Treatment Business

Detoxified treatment of hazardous and solid waste
505,752 tonnes

Integrated utilisation of hazardous and solid waste
51,147 tonnes

Sales of recycled products
11,670 tonnes

[4] Excluding distributed solar energy facilities within the Group's plants.

Social Performance

Coverage rate of regular performance and career development assessments
100%

Safety and occupational health training attendances
23,913

Rate of suppliers signing the *Sunshine Declaration*
100%

Safety and health related investment
RMB 74.90 million

Average employee training hours
27.84 hours

Percentage of female employees
21 %

Governance Performance

No
significant corruption-related complaints were received[5]

No
significant corruption-related litigation remain unresolved[5]

100%
of directors, management, and employees have received integrity education/anti-corruption training

Honours

- **"Global Excellence in ESG Awards"** awarded by Yazhou Zhoukan
- **"EcoChallenger" certificate** awarded jointly by The Federation of Hong Kong Industries and Bank of China (Hong Kong)
- Outstanding ESG Environmental Performance Award, the Outstanding ESG Corporate Governance Performance Award, and the ESG Commendation Certificate awarded by Sing Tao News Corporation
- **"Good Employer Charter"** Certificate awarded by Hong Kong Labour Department
- **"Annual Partner"** awarded by Plan International
- **"Caring Company"** Logo conferred by The Hong Kong Council of Social Service

[5] Refers to complaints and litigation against the Group and its employees during the Reporting Period.

PROMOTION OF SUSTAINABLE DEVELOPMENT

Sustainability Governance

Sustainability Governance Structure

As the Group's highest governing body, the Board is responsible for establishing and upholding governance practices, including those related to sustainability. To support this, the Group has set up a Sustainability Committee with defined terms of reference to assist the Board in overseeing the management and performance of the Group's sustainability efforts. The Group's sustainability and ESG-related matters also include addressing climate change and related issues.

To facilitate the effective implementation of sustainability policies and measures across departments and business segments, the Group has established 3 working groups under the Sustainability Committee: the Operations Management Working Group, the Employment and Investment Working Group (formerly the Employment and Community Investment Working Group), and the Compliance and Risk Working Group. Members of the working groups report the implementation of the strategy and progress in achieving the targets in their respective areas of responsibility at committee meetings. During the Reporting Period, the Sustainability Committee held 2 meetings.

To strengthen the professional skills and capabilities of the Board, and all committees and departments, the Group actively engages external advisors to provide ESG trainings. This ensures that we can promptly identify sustainability-related risks and opportunities and integrate them into strategy formulation, effectively guiding the Group's sustainability practices.

The Board

Responsible for assessing and identifying risks and opportunities faced by the Group (including climate-related risks and opportunities), formulating relevant management directives, and supervising the effectiveness of their implementation. The Board assumes overall responsibility for the Group's ESG strategies and reporting.

Supervise / Report

Nomination Committee

Responsible for conducting an annual assessment of the expertise and skills required of the Board, including financial knowledge and experience necessary to understand financial risks directly linked to climate change and ensure the Board is equipped to oversee ESG-related matters effectively.

Sustainability Committee

Comprising the Chief Executive Officer and 3 independent non-executive Directors, the committee assists the Board in fulfilling its duties. It is responsible for reviewing the Group's ESG policies, monitoring the implementation of ESG initiatives, and holding at least 1 meeting annually, as well as regularly reporting progress to the Board.

Audit and Risk Management Committee

Responsible for incorporating ESG-related risks into the corporate management framework and monitoring the ESG-related risks of business operations.

Supervise / Report

Sustainability Working Groups

Implements the Group's responsibilities in environmental and safety matters, social and human resources, and governance and risk management. The working groups report to sustainability committees and comprise staff in different positions.

Operation Management Working Group

Operation Management Department, Safety and Environmental Management Department, Technology Service Company[6]

Employment and Investment Working Group

Administration and Human Resources ("HR") Department (Hong Kong and Shenzhen Headquarters), Procurement Management Department, Investment Development Department

Compliance and Risk Working Group

Company Secretarial Department, Finance Management Department (Hong Kong and Shenzhen Headquarters) Risk Management and Compliance Department, Internal Audit Department, Integrity Management Department

Manage / Report

Business Management Centres and Project Companies

Responsible for managing and implementing relevant ESG issues within their respective scopes of duty. They are also responsible for executing ESG-related practices and handling ESG data reporting and collection.

[6] EB Greentech Technology Services (Jiangsu) Ltd.

The Board, with the support of various Board committees, discusses and/or deliberates on ESG-related matters from time to time. During the Reporting Period, the following tasks were completed:

- Reviewed the Group's ESG performance and the resources allocated for related reporting, including employee qualifications, experience, training programmes undertaken, and associated budgets, to ensure sufficient resources are in place to support relevant management efforts;
- Assessed ESG-related risks and opportunities, and evaluated the effectiveness of risk management and internal monitoring systems. Through risk event analysis, the Board examined the frequency, trends, and impacts of ESG risks on the Group;
- Reviewed the Group's Sustainability Report 2024 and its related works;
- Reviewed and approved updates to the terms of reference for the Group's Sustainability Committee and the Sustainability Working Group
- Enhanced professional capabilities in managing ESG issues by inviting experts to conduct internal training sessions and by participating in ESG training programmes organised by external organisations;
- Set climate-related targets (approved in early 2025); and
- Reviewed the Group's integration of ESG-related matters into departmental performance appraisal.

In line with the adjustments to the Group's management structure, and to further clarify the roles and responsibilities of various departments in ESG information disclosure, ESG practices, and ESG risk management (including climate-related risks), the Board reviewed and approved the *Notice on adjusting the Sustainability Working Group* during the Reporting Period. This Notice further refined and clarified departmental responsibilities, laying a solid foundation for the orderly advancement of subsequent ESG work.

Sustainability Risk Management

Everbright Greentech has established a model of "Three Lines of Defence" for risk management. The Board and the Audit and Risk Management Committee hold full responsibility for tasks related to risk management. The risk management personnel of business management centres and project companies, the Risk Management and Compliance Department, and the Internal Audit Department collectively form the "Three Lines of Defence", each responsible for different duties and tasks.

First Line of Defence

Risk management personnel of business management centres and project companies

1. Ensure effective implementation of risk control measures in accordance with the Group's risk management system and requirements
2. Monitor any risks associated with each business operation
3. Collect and report in a timely manner the details of any risk-related incidents

Second Line of Defence

Risk Management and Compliance Department

1. Identifies and assesses risks and conducts necessary monitoring based on the Board's preference
2. Carries out appropriate supervision to ensure effective and efficient control of activities within and between departments
3. Conducts evaluation and provides regular reports to the Audit and Risk Management Committee

Third Line of Defence

Internal Audit Department

1. Carries out internal audit annually and ensures effectiveness of the first and second lines of defence
2. Provides independent assurance to the Audit and Risk Management Committee and the Board on the adequacy and effectiveness of the Group's internal controls

The Group's risk management system has set the management objective of "Ensuring the Realisation of the Company's Strategic and Operational Goals" and the management vision of "Overall Compliance, Minimise Weaknesses, Manage Uncertainties and Optimise Performance-based Management". Guided by the Group's medium- and long-term strategic goals, we adopt steady market expansion and prudent operational management to rationally establish risk preferences across 6 dimensions: investment, finance, engineering construction, operation, reputation, and talent. Financial and non-financial indicators are quantitatively assigned warning thresholds and limit values to continuously optimise the effectiveness of internal controls and strengthen risk resilience and management capabilities.

The Group has further enhanced the corporate risk management system by integrating ESG risk management and placing a strong emphasis on the prevention and mitigation of climate-related risks. During the Reporting Period, we conducted in-depth identification, assessment, and analysis of climate risks in alignment with the *Recommendations of the Task Force on Climate-related Financial Disclosures* ("TCFD Recommendations"). Based on the results of risk assessments and quantitative analyses, we formulated corresponding mitigation measures to minimise climate risks. For further details, please refer to the chapter "Addressing Climate Change" on pages 29 to 39 of this Report.

Business Ethics

The Group strictly complies with the *Anti-Unfair Competition Law of the People's Republic of China,* the *Anti-Money Laundering Law of the People's Republic of China,* the *United Nations Convention Against Corruption,* the *Prevention of Bribery Ordinance* of Hong Kong, and other relevant laws and regulations. We oppose improper business practices such as fraud, corruption, bribery, and cyber intrusion. All employees are required to follow the *Anti-Corruption, Anti-Bribery and Anti-Money Laundering Policy* of the parent company, CEEGL, and the Group's *Corporate Code of Conduct*. Employees are strictly prohibited from engaging in bribery, extortion, fraud, or money laundering in any form. Whether in China, Hong Kong, or other regions, all executive directors and employees must comply with relevant laws and regulations, and are prohibited from soliciting, accepting, or offering bribes. In accordance with the *Administrative Measures on the Surrender of Gifts*, employees must declare any gifts or souvenirs received during business interactions and refuse unreasonable hospitality to avoid compromising business judgement.

The Group upholds the highest standards of integrity, adopts a zero-tolerance approach towards corruption and bribery, and has implemented a series of anti-corruption and anti-bribery policies. We strictly adhere to the policies of the parent company, CEEGL. For further details, please refer to "Appendix 2: List of Important ESG Policies" on pages 122 to 123 of this Report.

During the Reporting Period, the Group organised activities such as "Integrity Training Module" and "Law and Discipline Education Month" to promote understanding of key documents, including the *Code of Corporate Conduct,* the *Compilation of Internal Control Vulnerabilities and Integrity Risk Cases of the Everbright Group,* and the *Manual on Integrity Risk Prevention and Control for Key Areas and Critical Positions*. We also conducted anti-corruption training sessions using an online-offline hybrid approach, requiring participation from all employees. Through watching cautionary videos and analysing relevant case studies, we aim to help employees learn from real-life examples, eliminate the temptations of corruption at their root, and reinforce their commitment to integrity.

▲ Anti-corruption training conducted by the Commissioner of the Hong Kong Independent Commission Against Corruption

2024 Employee Integrity Education/Anti-Corruption Training Data

The anti-corruption training coverage rate for directors, management, and employees has reached 100%

Aggregate integrity education/anti-corruption trainings
193 sessions

Aggregate training hours
6,239 hours

Aggregate training attendees
4,144 attendees

Average training hours of board members
8.50 hours

Average training hours of senior management
11.77 hours

The Group has implemented regulations on the avoidance of nepotism and conflicts of interest, requiring all executive directors and employees to avoid any conflicts between personal interests (including those of immediate family members and associated companies) and interests of the Company. They must recuse themselves from activities involving themselves and associated parties, such as procurement and tendering, investments, business transactions, and staffing decisions, and must strictly comply with relevant regulations on nepotism avoidance in employee appointments.

Whistleblowing Policy

To ensure orderly business operations, promote healthy enterprise development, and strengthen internal controls, the Group has established a *Whistleblowing Policy*. This policy facilitates the reporting of actual or suspected illegal or improper conduct by internal and external stakeholders (including employees, investors, and suppliers). The Group also provides new employees with detailed explanations of the reporting procedures to safeguard their rights and responsibilities. We are committed to protecting the privacy of whistleblowers and have implemented a grievance mechanism to ensure that they, as well as those involved in the investigation of whistleblowing cases, are protected from harassment, intimidation, bullying, or unjustified negative performance evaluations. In addition to the *Whistleblowing Policy*, the Group has established an Integrity Management Department to supervise and investigate illicit acts of management and employees, to ensure fairness in the exercise of authority and prevent any behaviour that violates ethical standards.

Should any actual or suspected illegal activities, improper behaviour, or misconduct be identified, they may be reported to the Company in accordance with the Group's *Whistleblowing Policy*. During the Reporting Period, the Company received 6 case reports through its whistleblowing channels. Among them, 3 were anonymous reports by employees against their superiors, but they did not meet the criteria for acceptance and investigation. The remaining 3 cases were related to tendering, however, the tenders involved were still in the expression-of-interest stage. As tenderers may raise concerns through CEEGL's tendering and procurement platform, these cases were referred to the relevant departments for further clarification and follow-up with the tenderers. The details and handling of the aforementioned cases were reported to the Audit and Risk Management Committee in 2024.

Whistleblowing Procedure

- Reporting channels include emailing to report@ebgreentech.com or mailing to 36/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or West Wing, 27/F, Oriental Xintiandi Plaza, No. 1003 Shennan Avenue, Futian District, Shenzhen, China. Relevant channels are also displayed on the corporate website, *Staff Handbook*, intranet, Sustainability Report and Annual Report
- Upon receipt of a whistleblowing case, an investigation will be carried out by a designated personnel
- If a whistleblowing case is substantiated and involves criminal offenses, the relevant personnel will seek legal advice and submit the matter to the Audit and Risk Management Committee for approval. It will then be presented to the Board for a decision on whether to report the case to the appropriate law enforcement or judicial authorities.
- If a whistleblowing case is substantiated but does not involve criminal offenses, disciplinary actions such as deducting relevant assessment scores or demotion will be imposed on the concerned employee. The investigation report will be submitted to the Audit and Risk Management Committee and subsequently to the Board of Directors for approval.
- If a whistleblowing case is unsubstantiated, the investigation findings will be presented to the Audit and Risk Management Committee

2024 Statistics on Corruption Complaints and Litigation

NO
significant corruption-related complaints were received

NO
significant corruption-related litigation remain unresolved

Sustainability Strategy

The Group recognises that achieving long-term development and making sustained positive contributions to society require the integration of sustainable development principles into business operations. Accordingly, we have established 5 strategic pillars of Sustainability as the foundation of our decision-making and actions. We are committed to embedding sustainability considerations into our business strategy to support the achievement of the Group's long-term objectives.

Pillars of Sustainability Strategy

Safe Production

The health and safety of workers are essential to the sustainable development of enterprises. Businesses must prevent, control, and eliminate occupational health hazards, safeguard employee well-being, and ensure safety throughout production processes. By maximising risk management and addressing management deficiencies, companies can position themselves as reliable local service providers while building a strong brand reputation.

Stable Supply

A stable supply of key raw materials and consumables is essential for the stable operation of enterprises. To reduce operational costs and effectively manage supply chain risks, it is imperative to optimise management processes, enhance operational capabilities, and strengthen supply chain management.

Green Recycling

Developing a circular economy is a key strategy for overcoming resource and environmental constraints, addressing climate change, and unlocking new economic growth opportunities. By promoting renewable energy and adopting a "produce-use-recycle" approach to resource utilisation, businesses can reduce carbon emissions and the extraction of virgin materials while simultaneously enhancing product value and lowering operating costs.

Technology Development

Technology is the primary drive of enterprise development. The rapid growth of the renewable energy sector compels environmental protection companies to advance their technological and management capabilities to remain competitive.

Employee Development

Diversity in gender, nationality, cultural background, educational experience, and abilities provides organisations with varied perspectives and insights, enabling the development of innovative strategies to address risks and seize opportunities in operational processes. To adapt to the rapidly changing business environment and enhance employee skills and competitiveness, companies should prioritise training and development, build robust talent pools, and establish leadership pipelines.

Sustainability Recognition

Honored with the Yazhou Zhoukan "Global Excellence ESG Award", presented by Mr. TANG Ping-keung, Secretary for Security of the Hong Kong SAR (left), to Dr. Zhu Fugang, Chief Executive Officer of the Group

Awarded the Outstanding ESG Environmental Performance Award, the Outstanding ESG Corporate Governance Performance Award, and the ESG Commendation Certificate at the "Outstanding ESG Enterprises Recognition Scheme 2024" jointly organised by Sing Tao News Corporation and The Hong Kong Polytechnic University for the first time.

Everbright Greentech supports the United Nations Sustainable Development Goals (SDGs) and is committed to eradicating poverty, reducing inequalities, and building a more peaceful and prosperous society by 2030. We believe that the following 12 SDGs are most closely aligned with Everbright Greentech's sustainability strategies.

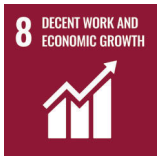
Safe Production

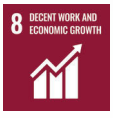
Stable Supply

Green Recycling

Technology Development

Employee Development



Sustainable Development Goals	Our Practices and Achievements in Sustainable Development Goals
 End poverty in all its forms everywhere 1.A Ensure significant mobilisation of resources from a variety of sources, including enhanced development cooperation, to provide adequate and predictable means for developing countries, especially least developed countries, to implement programmes and policies to end poverty in all its dimensions.	• Prioritise providing job opportunities for local residents, helping them escape poverty through stable employment and income. • Actively collaborate with communities to promote local economic growth through business development, achieving mutual prosperity for companies and communities.
 Ensure healthy lives and promote well-being for all at all ages 3.8 Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all. 3.9 By 2030, substantially reduce the number of deaths and illnesses caused by hazardous chemicals and air, water, and soil pollution and contamination.	• Provide employees with comprehensive medical protection, including life insurance, critical illness insurance, health insurance, and disability insurance • Assist local governments in safe and proper disposal of medical waste and other hazardous wastes • Make improvements to the safety, environment and health management regime, set safety and environment management goals for inclusion in Group appraisal at all levels • Apply standard operational procedures at all projects, provide sufficient safety and occupational health training, and adopt protective measures to safeguard staff safety
 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all 4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship.	• Formulate staff training plans annually to provide vocational training opportunities for all employees in a fair and equitable manner • Support staff in the pursuit of continuing education and offer rewards to staff for professional qualifications and professional titles for special skills acquired
 Achieve gender equality and empower all women and girls 5.1 End all forms of discrimination against all women and girls everywhere 5.4 Recognise and value unpaid care and domestic work through the provision of public services, infrastructure, and social protection policies, and promote shared responsibility within the household and the family 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life	• Persist in the principle of gender neutrality in matters pertaining to employment, training and promotion • Offered sponsorships to the Plan International's Run for girls and Donate a Pencil Initiative over consecutive years to support education for girls as a life-changing initiative and call for public concern for the rights of girls. • Provide maternity leave, breastfeeding leave and breastfeeding facilities for female staff, paternity leave for male staff and parental leave for all staff with born kids, and ensure the absence of any obstacles for taking such leaves.
 Ensure access to affordable, reliable, sustainable, and modern energy for all 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix. 7.a Enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency, and advanced cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.	• Utilise agricultural and forestry waste, household waste and general industrial solid waste for power generation and heat supply, and build solar energy and wind power projects to provide clean energy to local communities • Formulate *Energy Management Policy* and require projects to reduce energy consumption and install in-house solar energy facilities to increase the proportion of renewable energy in their energy mix • Cooperate with local communities to develop zero-carbon industrial parks and energy and carbon assets management platforms
 Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all 8.5 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.	• Provide more job opportunities for local agricultural workers and help them to increase income by purchasing agricultural and forestry waste • Persist in equality in wages for the same jobs and adhere to the principles of fairness, equality and non-discrimination in recruitment, remuneration and work conditions • Zero tolerance for exploitation, forced labour, modern slavery and human trafficking, a stance which is also made clear to stakeholders

Sustainable Development Goals	Our Practices and Achievements in Sustainable Development Goals
 Build resilient infrastructure, promote inclusive and sustainable industrialisation, and foster innovation 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes.	• Implement circular economy-based business models and maximise reduction of pollutant discharge through recycled use of resources to reduce impact on the environment • Develop businesses such as smart power network, energy storage and energy and carbon asset management, among others, to reduce carbon dioxide emission • Optimise scientific research effort and conduct technology R&D to enhance environmental technologies and support clean production
 Make cities and human settlements inclusive, safe, resilient, and sustainable 11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.	• Maintain sufficient and sound engagement with local communities and Indigenous Peoples in the course of project preparation, construction and operation, publish policies and adopt measures as appropriate to reduce the negative impact of project operation on local communities • Provide local communities with clean energy through the Group's project facilities to reduce local waste pollution and carbon emission • Incorporate climate-related risks into our enterprise risk management regime with a special focus on the impact on important supply chains and adopt specific measures in response to enhance climate resilience
 Ensure sustainable consumption and production patterns 12.2 By 2030, achieve the sustainable management and efficient use of natural resources.	• Formulate relevant policies and adopted measures in production to increase the efficiency and efficacy of the consumption of water, energy and raw materials • Reduce consumption of natural resources and promote the use of renewable energy in project construction and operation • Adopt effective measures for the management of waste discharge to avoid leakage
 Take urgent action to combat climate change and its impacts 13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.	• Identify risks and opportunities arising from climate change according to the TCFD framework and conduct scenario analysis to identify specific impact • Closely monitor changes in regulatory policies owing to climate change to direct the Group's development strategy and planning accordingly • Provide employees with ESG-related training
 Promote peaceful and inclusive societies for sustainable development 16.5 Substantially reduce corruption and bribery in all their forms.	• Regularly provide employees with anti-corruption training • Require compliance with policies such as the *Staff Handbook* and *Code of Corporate Conduct*; prohibit unethical practices, including bribery, fraud, money laundering, conflicts of interest, and discrimination • Regularly conduct employee satisfaction surveys and one-on-one discussions to understand workplace challenges and help employees clarify their goals, fostering a fair and inclusive working environment
 Strengthen the means of implementation and revitalise the global partnership for sustainable development 17.9 Enhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement all the sustainable development goals.	• Explain the Group's sustainability policy to suppliers, partners and other stakeholders • Maintain friendly engagement with tertiary colleges and industry associations and develop sustainable partnerships to fully utilise available resources and drive technological innovation • Formulate policies and made improvements to data audit processes to enhance ESG data transparency and quality so that business partners could understand the real conditions

Stakeholder Engagement

The Group values stakeholder engagement as the foundation for achieving sustainable development planning and fulfilling social responsibilities. Through regular communication, the Group gains insight into stakeholders' concerns and expectations regarding sustainable development and formulates operational strategies to address their needs. Effective communication channels have been established with internal and external stakeholders during daily operations, enabling the Group's business units to gather feedback and respond promptly.

Stakeholder	Focus and Expectations	Communication	Description	Communication Frequency
Employees	• Safety and health • Salary and benefits • Protection of labour rights • Equal and diverse working environment	Everbright Environment OA System	All employees can use the "Listen to Grassroots Voices" module in OA to share their thoughts, express their needs, and provide suggestions. We encourage employees to contribute ideas for our development.	Irregular
Investors and shareholders	• Robust investment returns and efficient corporate governance system • Timely and accurate disclosure of information	Company website or WeChat account platform	We regularly update and prepare performance materials for investors and shareholders, publishing them on our official website for regular review.	Regular
		Non-deal roadshow	We regularly hold interim and annual performance briefings, as well as local and overseas conference calls, to share our latest operating conditions, strategic development progress, and the impact of industry policies with investors and shareholders.	Regular
		Shareholders' meeting	We convene shareholders' meetings regularly or on an ad hoc basis to make decisions on significant matters and communicate with shareholders.	Irregular
		Daily communication (including email, phone, WeChat and meetings)	We assist securities analysts in developing financial models and issuing coverage reports for us, while promptly responding to investor and analyst inquiries and on-site inspection requests.	Regular/Irregular
		Site inspection	We host on-site inspections for investors, providing them with in-depth insights into our project's production processes, operating conditions, potential for heating business expansion, industry trends, and future prospects.	Regular/As required
Government and regulatory authorities	• Safe operations • Legal compliance • Promote economic development • Rural revitalisation • Charity Environmental management	Progress report	We work closely with local governments, providing timely updates on project preparation and construction progress to relevant industry authorities, and updating the status of project investment budgets as required.	Weekly / Monthly / Quarterly / As needed
		Site inspection	We host on-site inspections for government departments at all levels to gather their feedback on project planning, construction, and operational processes, while promoting the project's environmental and social benefits as well as its advanced practices.	Irregular/As required
Customers	• Stable supply • Energy efficiency	Daily communication (including phone and email)	We maintain close communication with local governments to assist in improving the local living environment and creating employment opportunities.	As required
		Meeting	We hold meetings with clients to maintain effective communication, explore potential service enhancements, ensure the effectiveness of hazardous waste disposal, and guarantee client satisfaction.	Regular

Stakeholder	Focus and Expectations	Communication	Description	Communication Frequency
Business partners and suppliers	• Fair procurement • Green supply chain management • Integrity-based collaboration	Procurement tender meeting	We organise tender procurement meetings and adopt different procurement methods tailored to various procurement targets to finalise the supplier list. We regularly evaluate suppliers' service capabilities and implement a tiered management system to provide a reference for future collaboration.	Irregular
		Questionnaire	We conduct surveys with business partners and suppliers to assess their satisfaction with the collaboration process and gather their feedback and suggestions for improving cooperation effectiveness.	As required
Local communities	• Safe operation • Rural revitalisation • Charity • Environmental management • Community development	Community outreach and environmental education activities	We open our environmental facilities to the public to promote environmental knowledge and spread awareness of eco-friendly practices.	Before construction/ Irregularly
		Public hearing	Before project construction, we invite community residents to participate in public hearings to gather feedback from representatives within the project's affected areas and solicit suggestions from various stakeholders.	Before construction/As required
Media	• Information transparency • Seamless communication	Site visit	We welcome media visits to showcase our projects' contributions to social responsibility and actively address media concerns regarding project construction and operations, fostering effective communication between our projects and the public through media channels.	Irregular
		Interview	At appropriate times, such as during performance announcements or after the launch of key initiatives, we arrange media interviews with our management to discuss our industry and the Group's management strategies.	Regular/As required
NGOs/industry associations	• Environmental management • Ecological protection • Community development • Charity	Charity event	We actively participate in and organise various community welfare and charitable activities to support local economic development and promote mutual progress between the company and the society.	Irregular
		Forum/Salon	We regularly participate in industry exchange forums organised by trade associations to stay informed about the latest developments in policies, technologies, and business models.	Irregular
		Industry research report/ development report	We collaborate with industry organisations and peer companies to release industry research reports, analysing the current state and future prospects of the sector.	Regular/As required

Several Leading Domestic and Foreign Investment Institutions Visit the Guixi Biomass Electricity and Heat Cogeneration (EHC) Project

In October 2024, over 10 institutions, including Ping An Asset Management, Cigna & CMB Life Insurance, China Life Asset Management, GF Securities, and Changjiang Securities, organised a site visit to the Group's Guixi Biomass EHC Project (Guixi Biomass Project) to engage in in-depth discussions with the project team. The delegation toured key areas of the project to gain a deeper understanding of processes such as biomass treatment, combustion monitoring, and laboratory analysis. During the visit, the management team of project company introduced the project's operational status and development prospects. Investors expressed recognition of Everbright Greentech's advanced technology and its significant environmental contributions. We will continue to maintain open communication with investors and promote sustainable development.

Materiality Analysis

The Group regularly conducts comprehensive materiality assessments by engaging with stakeholders through surveys and meetings to identify the most important economic, environmental, and social issues for both the Group and stakeholders. These assessments help define the scope and boundaries of the Sustainability Report.

In 2024, the Group incorporated the "double materiality" principle into the materiality assessment process. This approach evaluates the impact of sustainability issues on the Group's enterprise value and financial performance (referred to as financial materiality) and the Group's impact on the external environment and society (referred to as impact materiality). This enhancement further aligns the Group's practices with internationally recognised best reporting standards.

The process of determining materiality issues includes the following four stages:

Identification of Sustainability Issues

The Group engaged external sustainability consultants to comprehensively identify sustainability issues most relevant to the Group's business operations (see "List of Sustainability Issues"). This process referenced a wide range of sources, including the GRI Standards, SDGs, stakeholder feedback, recommendations from the Board and management, and media analysis. These efforts ensure that the identified issues accurately reflect the Group's business nature and the outcomes of stakeholder communication.

Stakeholder Engagement and Development of the Materiality Matrix

Sustainability consultants conducted stakeholder engagement surveys with 8 key stakeholder groups to prioritise the sustainability issues identified in the initial stage. The consultants then performed a quantitative materiality analysis based on two parameters: financial materiality and impact materiality. The results were presented in a matrix, where issues are ranked diagonally from the top-right to the bottom-left according to their importance. Issues jointly recognised as the most material by both stakeholders and the Group are the primary focus of this report.

Validation of Material Issues and Data Analysis

To ensure the reasonableness, balance, and completeness of this report, the Board validated the prioritised sustainability issues and their scope. The sustainability consultants prepared the materiality disclosures with reference to the GRI Standards. Additionally, to ensure that all project companies consistently provide accurate and comprehensive sustainability data, the Group's relevant departments have implemented a systematic data collection and monitoring mechanism.

Reviewing the Materiality of Issues

Before preparing this Report, the Group reviewed and assessed the material issues and disclosures from previous reports. Through the annual stakeholder engagement survey, the Group collected stakeholder feedback on Everbright Greentech's sustainability performance during the Reporting Period. All feedback and data were submitted to the Board for review and validation of materiality. This process enables stakeholders to engage more comprehensively in the management and disclosure of sustainability issues, supporting the achievement of the Group's long-term sustainability goals.

Identification of Sustainability Issues

During the Reporting Period, the Group reviewed previously assessed sustainability issues in light of evolving industry trends. Some issues with inherent relevance were consolidated, while others with limited applicability were removed. This process resulted in the identification of sustainability issues most relevant to the Group. The identified issues are categorised under three domains: Governance, Environment, and Social. These issues were presented in stakeholder survey questionnaires, inviting stakeholders to prioritise their importance based on two dimensions: financial materiality and impact materiality.

List of Sustainability Issues

Environmental

1. Circular Economy
2. GHG Emissions
3. Climate Change Mitigation
4. Energy Efficiency
5. Water Resource Management
6. Waste and Wastewater Management
7. Biodiversity
8. Air Pollution Management
9. Environmental Protection Education

Social

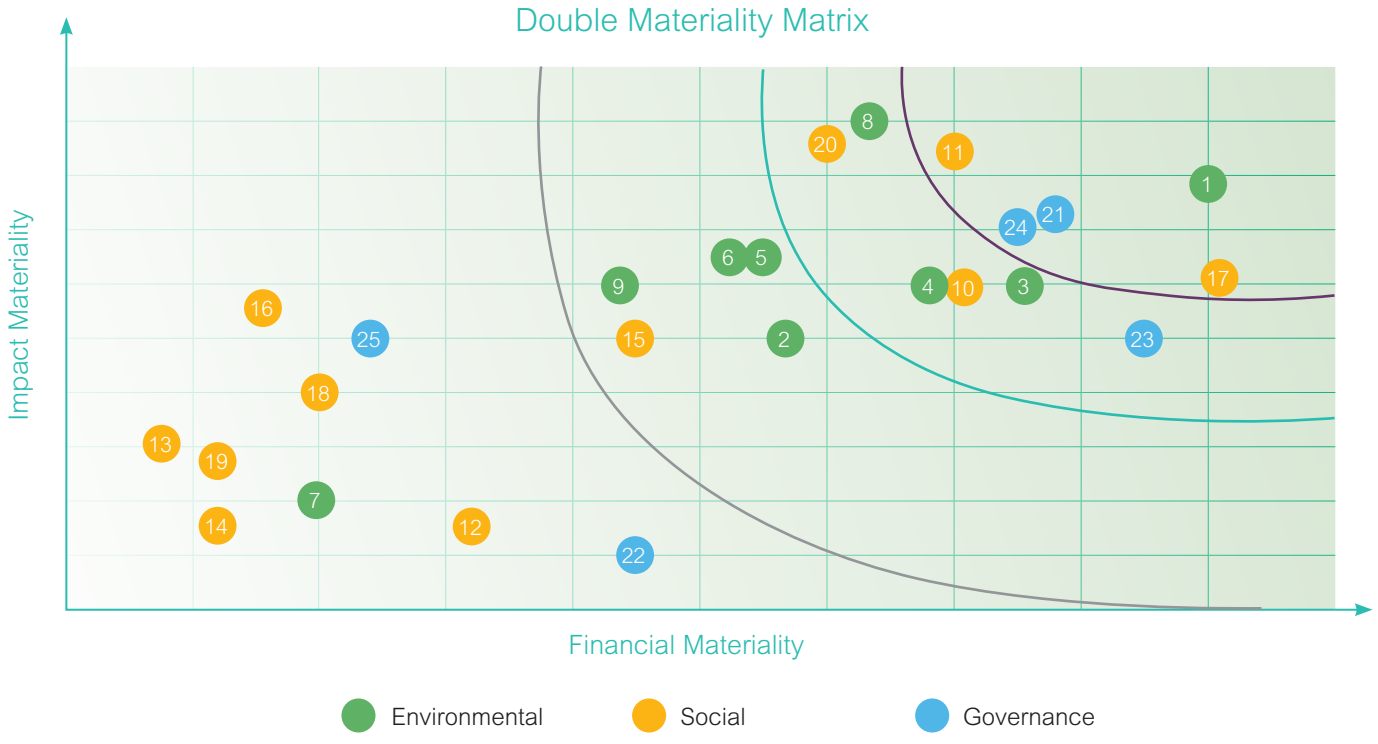
10. Employee Welfare and Training
11. Safe Production
12. Diversity and Equal Opportunity
13. Community Participation
14. Community Health and Safety
15. Supply Chain Management
16. Rural Revitalisation
17. Stable Supply
18. Internal Communication
19. Child Labour and Forced Labour
20. Occupational Health and Safety

Governance

21. Technological Innovation
22. Business Ethics
23. Corporate Governance
24. Anti-Corruption/Anti-Bribery
25. Cybersecurity and Data Privacy

Materiality Assessment

Based on the results of the double materiality analysis, and following the review and approval by the Group's Management Committee and Sustainability Committee, we have identified 15 key material issues most relevant to our business operations. These issues are prioritised and visualised in the matrix below, with their impacts and scope aligned to the GRI Standards and relevant SDGs.



Tier 1: Key Issues	Tier 2: Moderately Important Issues	Tier 3: Monitored Issues
Circular Economy Safe Production Air Pollution Management Stable Supply Technological Innovation	Anti-corruption/Anti-bribery Occupational Health and Safety Climate Change Mitigation Corporate Governance Employee Welfare and Training	Energy Efficiency Water Resource Management Waste and Wastewater Management GHG Emissions Environmental Protection Education

The table below outlines the material issues identified by the Group, their impact on key stakeholder groups, and their alignment with the relevant GRI Standards and SDGs. This serves to assist the Group in formulating long-term sustainability policies and strategies that effectively address stakeholder expectations.

Material Issues/ Stakeholders' Focus	Impact Boundary								GRI Standard	Main Relevant SDGs
	Investors and Shareholders	Employees	Government and regulatory authorities	Local Communities	Customers	Business Partners and Suppliers	Media	NGOs		
1 Circular Economy	●	●	●	●	●	●	●	●	GRI 301 Materials	
2 Safe Production	●	●	●	●	●	●	●	●	Not applicable	
3 Air Pollution Management	●		●	●		●		●	GRI 305 Emissions	
4 Stable Supply	●	●	●	●	●	●	●		Not applicable	
5 Technological Innovation	●		●		●	●	●		Not applicable	
6 Anti-corruption/ Anti-bribery	●		●	●		●		●	GRI 205 Anti-corruption	
7 Occupational Health and Safety		●	●			●		●	GRI 403 Occupational Health and Safety	
8 Climate Change Mitigation	●	●		●		●	●	●	Not applicable	
9 Corporate Governance	●	●	●	●	●	●	●		Not applicable	
10 Employee Welfare and Training		●			●				GRI 401 Employment GRI 402 Labor/ Management Relations GRI 404 Training and Education	

Material Issues / Stakeholders' Focus	Investors and Shareholders	Employees	Government and regulatory authorities	Local Communities	Customers	Business Partners and Suppliers	Media	NGOs	GRI Standard	Main Relevant SDGs
11 Energy Efficiency	●	●			●	●		●	GRI 302 Energy	12
12 Water Resource Management	●	●		●	●		●	●	GRI 303 Water and Effluents	6, 14
13 Waste and Wastewater Management	●	●		●			●	●	GRI 306 Waste	15
14 GHG Emissions		●	●	●				●	GRI 305 Emissions	13
15 Environmental Protection Education	●		●	●				●	Not applicable	4

Significant Impacts on the Group

Sustainability Strategy Pillars	Material Issues	Importance to Stakeholders	Importance to the Group
Safe Production	• Safe Production • Occupational Health and Safety	External stakeholders are highly concerned about the Group's performance in ensuring safety in production and occupational health. This reflects corporate responsibility, compliance, and social accountability. Employees value a safe and healthy working environment and expect the Group to effectively manage occupational risks and protect employee well-being. Communities expect safety management to avoid impacts on public safety and the environment.	Safe production and occupational health are the foundation of internal operations. Failure to meet safety standards may lead to employee injuries, lawsuits, economic loss, and reputational damage. Effective safety management reduces risks, enhances stakeholder trust, and minimises financial and operational disruptions caused by workplace accidents.
Stable Supply	• Stable Supply • Anti-corruption/Anti-bribery	Stakeholders expect companies to deliver stable and efficient services, particularly in the energy sector, where supply disruptions could impact customer operations and lower investment returns. Additionally, stakeholders emphasise the importance of integrity and transparency in supply chain management to mitigate corruption risks and ensure the safety and reliability of long-term partnerships.	The implementation of stable supply and anti-corruption measures helps the Group maintain a stable operating environment and ensure the reliability of power supply. These measures also optimise internal management, reduce production disruptions caused by raw material shortages or supply interruptions, and minimise operational risks and costs. Furthermore, the Group's anti-corruption and anti-bribery policies, along with related trainings, effectively prevent corrupt practices, safeguard the Group's reputation and brand image, and foster greater trust in the Group.
Green Recycling	• Circular Economy • Air Pollution Management • Climate Change Mitigation • Energy Efficiency • Water Resource Management • Waste and Wastewater Management • GHG Emissions • Environmental Protection Education	As the government actively promotes a circular economy and low-carbon development, stakeholders are placing increasingly stringent demands on corporate environmental performance. They expect companies to enhance resource efficiency and take proactive steps in areas such as air pollution control, water resource management, and waste treatment to effectively improve environmental quality. Moreover, companies must focus on natural resource management, reduce excessive exploitation of natural resources, protect ecosystems, and contribute to sustainable societal development.	We recognise that advancing green circularity and environmental management goes behind regulatory requirements—it enhances competitiveness, addressing climate change, and mitigating operational risks. By optimising resource utilisation and operational efficiency, companies can reduce costs and unlock more opportunities for green growth. Additionally, actively responding to policies and societal expectations reinforces corporate brand image and attracts investment from stakeholders who prioritise sustainability.
Technological Development	• Technological Innovation	In the context of achieving low-carbon development and sustainable growth, technological innovation has become a key focus for stakeholders. Regulatory bodies and governments expect companies to accelerate the development of low-carbon technologies and high-efficiency solutions to support carbon peaking and carbon neutrality goals. Customers, on the other hand, anticipate that companies will leverage innovative technologies to enhance service quality, thereby facilitating their own low-carbon transformation.	Technological innovation enables the Group to maintain its leadership in the industry, strengthen market competitiveness, and explore new business and market opportunities. As such, the Group places technological development at the core of its strategy, continuously increasing resource investment to drive research and development (R&D) and the creation of new business initiatives.
Employee Development	• Employee Welfare and Training • Corporate Governance	Employees are the core assets of a company's sustainable development. Comprehensive benefits and training opportunities directly influence employee satisfaction and loyalty. Employees expect fair compensation, career development opportunities, and a healthy work environment. Meanwhile, regulatory bodies focus on whether companies comply with labour laws and adhere to sound corporate governance practices. Strong governance structures also enhance market reputation, foster customer trust, and promote long-term stable partnerships.	The Group places great emphasis on employee welfare and training, striving to build a comprehensive benefits system and growth platform. We offer competitive salaries, medical insurance, parental leave, and systematic training programmes to enhance employee satisfaction and loyalty while reducing turnover rates. At the same time, we continuously improve corporate governance, including anti-corruption training, to mitigate operational risks, attract top talent, improve internal management efficiency, and lay a solid foundation for the Group's long-term stable development.

ADDRESSING CLIMATE CHANGE

In recent years, the impacts of climate change on the environment and society have become increasingly severe. The frequent occurrence of extreme weather events, such as intense heatwaves, heavy rainfall, and other natural disasters, has further highlighted the growing negative impacts and risks associated with climate change. The international community has become increasingly aware of the serious threats and challenges that global warming poses to both present and future human survival and development. As a result, there is now a global consensus on the urgent need to take proactive measures to address climate change.

As an environmental and renewable energy company, the Group fully recognises both the risks and opportunities that climate change presents. We are committed to integrating climate-related factors into our business decision-making processes to maximise value for our customers, investors, stakeholders, and the communities we serve. The Group has actively implemented measures under the TCFD framework, adopting a range of strategies to mitigate and adapt to climate-related risks. To further enhance our capabilities in climate risk governance and management, the Group has strengthened its identification, assessment, and response mechanisms for climate-related risks during the Reporting Period, while also deepening our climate-related information disclosure. We remain dedicated to building a resilient and sustainable business model to effectively tackle the challenges posed by global climate change.

01 Governance

The Group strongly believes that a solid governance structure is conducive to procuring effective decision-making and crucial for achieving long-term sustainability. The Board is responsible for evaluating and determining sustainability-related matters, and a Sustainability Committee has been established to assist the Board in overseeing the implementation of ESG (including climate-related) work and reviewing pertinent strategies.

The Board maintains overall responsibility for supervising ESG matters, including those related to climate change, and holds ultimate accountability for managing both climate risks and opportunities. The Sustainability Committee is dedicated to addressing and regularly discussing specific issues related to climate change, which includes the identification, assessment, and monitoring of climate risk indicators, subsequently reporting its findings to the Board. Additionally, the Sustainability Working Group, composed of professionals from various departments, is tasked with implementing the Group's ESG initiatives and guiding operational teams in actions to mitigate climate threats. Detailed information on the responsibilities and divisions of oversight among the Board, the Sustainability Committee, and the Sustainability Working Group regarding ESG and climate-related matters can be found in the "Sustainability Governance" section on pages 15 to 16 of this Report.

During the Reporting Period, our focus has been on ensuring that management possesses the necessary skills and capabilities to effectively manage risks and opportunities associated with climate change. To this end, we organised specialised trainings on climate risk management for the management team and members of the Sustainability Working Group, aimed at deepening their understanding of climate-related risks and enhancing their ability to integrate these considerations into strategic planning and decision-making processes.

02 Strategy

The Group is committed to developing effective responses to mitigate and adapt to the impacts of climate change by identifying and assessing related risks and opportunities. In accordance with TCFD recommendations, we classify climate-related risks into physical risks and transition risks. Physical risks refer to the climate-related hazards that businesses and/or supply chains may face, which can be categorised into acute and chronic risks. Transition risks refer to the challenges businesses encounter due to regulatory changes and market adjustments as the economy shifts towards a low-carbon model to support climate mitigation and adaptation efforts.

Identification and Prioritisation of Climate-related Risks and Opportunities

The Group identified and assessed significant climate-related risks and opportunities through in-depth discussions during climate risk workshops with representatives from various business units, referencing major climate risks and opportunities faced by industry peers as well as TCFD recommendations. Our climate risk identification and assessment efforts focus on the biomass utilisation sector as well as the hazardous and solid waste treatment business. This assessment considers not only the impacts of climate change on business operations but also its effects on critical upstream and downstream segments of the value chain.

We have identified key climate-related risks and opportunities that we face in the short-term (0-3 years), medium-term (3-5 years), and long-term (over 5 years). For the identified key climate-related risks and opportunities, we have scored and prioritised them based on their magnitude of impact and likelihood of occurrence.

Key Physical Risks

Physical risks arise from extreme weather events (acute risks) or long-term impacts of climate change (chronic risks). The Group has identified the following key physical risks that have a significant impact on our business:

Risk Category	Risk Factor	Risk Description	Value Chain Impact	Timeframe	Financial Impact Aspects	Our Strategy
Acute Risk	The frequency and severity of extreme weather events, such as typhoons, heavy rain, and coastal flooding, are continuously increasing.	• Some coastal project operations may be affected, leading to equipment damage or business interruptions, resulting in reduced company revenue and increased maintenance costs	Operation	Medium to long term	Revenue, Asset, and Cost	☑ Review and improve the design and operation of existing assets to enhance the waterproof performance of buildings ☑ Develop emergency plans for natural disasters/extreme weather events, and conduct timely training and emergency drills, and maintain adequate reserves of emergency supplies
		• Crop yields may decline or even be lost, leading to a decrease in the quality and production of biomass fuels, which in turn increases the unit cost of projects • The transportation conditions for biomass fuels and hazardous waste may be disrupted by ongoing extreme weather, causing business interruptions and a decline in operating income	Upstream	Medium to long term	Revenue	☑ Adhere to a combination of localised fuel supply and regional scheduling, ensuring sufficient fuel inventory, and promptly adjust fuel procurement policies ☑ Optimise the fuel structure and blending configurations, acquiring more fuel types that are less affected by weather conditions
Chronic Risk	Average temperature rise and increased frequency of extreme heat	• Leading to an increase in water consumption and a rise in electricity consumption for water intake, resulting in higher operational costs • Additional cooling equipment needs to be used to ensure the smooth operation of units, leading to an increase in electricity consumption and operational costs • Cause potential safety and health risks to employees	Operation	Medium to long term	Cost	☑ Optimise unit operation and enhance energy efficiency ☑ Limit continuous working hours or cease outdoor activities in response to extreme heat measures
		• Extreme heat negatively affects the raw material treatment processes of our fuel suppliers, leading to a reduction in biomass supply and an increase in unit costs	Upstream	Medium to long term	Cost	☑ Adhere to a combination of localised fuel supply and regional scheduling, ensuring sufficient fuel inventory, and promptly adjust fuel procurement policies
		• Under high temperatures, the electricity grid will face increased demand, leading local governments to introduce power rationing measures. This may require businesses to reduce or suspend production to manage peak demand, subsequently resulting in a decrease in waste generation and input volume, while increasing operational costs	Operation	Medium to long term	Revenue and Cost	☑ Actively develop electricity sales businesses to open new profit channels
	Water stress	• In areas with high water stress, projects may face rising water fees and increased operational expenses, affecting the efficiency of cooling equipment	Operation	Long term	Cost	☑ Explore the use of multiple water sources to reduce freshwater intake, such as wastewater from industrial parks ☑ Commit to water conservation throughout the entire lifecycle of the project
		• Water shortages may lead to crop yield reduction, resulting in insufficient biomass supply and increased unit costs for projects	Upstream	Medium to long term	Cost	☑ Adhere to a combination of localised fuel supply and regional scheduling, ensuring sufficient fuel inventory, and promptly adjust fuel procurement policies

Key Transition Risks and Opportunities

Transition risks refer to the risks that businesses encounter as a result of changes in policies, legislation, technologies, and market dynamics during the societal shift towards a low-carbon economy. Driven by China's "Dual Carbon" goals and supporting policies, the release of new regulations, the introduction of low-carbon technologies, and shifts in market demand can also create new opportunities. The Group has identified the following key transition risks and opportunities:

Risk Category	Risk Factor	Risk Description	Value Chain Impact	Timeframe	Financial Impact Aspects	Our Strategy
Regulation and Law	Stricter policies and regulatory measures based on low-carbon and environmental themes	• With applicable mandatory GHG emissions and climate reporting regulations, companies will face higher operating costs such as higher compliance costs • Failure to fully comply with disclosure requirements, such as the sourcing of raw materials, may damage the Company's reputation and financing capability, negatively impacting capital, investors, and partners • Stringent policies might lead to stricter discharge standards, necessitating increased investment in projects to meet compliance, which will elevate operational costs • The government might introduce new policies in the future to set minimum standards for the energy efficiency of machinery, which could result in the premature retirement of equipment not meeting efficiency standards	Operation	Short to medium term	Revenue, Asset, and Cost	☑ Track the progress of low-carbon laws and regulations, and incorporate them into the risk assessment process ☑ Strengthen relationships with suppliers to ensure the sustainability of raw materials ☑ Plan and invest in new, more energy-efficient equipment proactively
		• Stringent policies might restrict forestry development, reducing the supply of ash and thereby causing revenue declines and rising unit costs • Increasingly strict standards for hazardous waste landfilling impose limitations for flexible landfills to accept hazardous waste, leading to reduced landfill volumes, decreased revenue, and higher unit costs • Changes in waste reduction and management policies across provinces may result in a decrease in solid waste supply, leading to reduced orders and declining revenues	Upstream	Short to medium term	Revenue	☑ Promote hazardous waste utilisation and enhance resource efficiency, to reduce reliance on conventional incineration and landfilling
	Introduction of carbon pricing mechanisms and deregulating of carbon trading markets	• Carbon emissions from hazardous and solid waste projects may result in increased operational costs if the government implement carbon pricing policies	Operation	Medium term	Cost	☑ Intensively monitor policy changes, build carbon management capabilities, and cultivate professional talent ☑ Strengthen carbon reduction measures and leverage the carbon trading market to reduce carbon costs
Technology	Continuous technological improvement and transition to low-carbon technologies	• If a company fails to transition to lower emissions options in meeting its ambitious decarbonisation target (or such target does exist), its market competitiveness will inevitably be affected under the realm of climate change • The adoption of new technologies or equipment requires substantial research and development (R&D) investment, which may not yield returns in the short term, potentially leading to decreased revenue and increased costs	Operation	Medium to long term	Cost	☑ Explore multiple technological pathways to diversify R&D risks and enhance the likelihood of success ☑ Adopt a phased implementation strategy, testing new technologies in small-scale or pilot projects first, and then evaluating effectiveness before proceeding with large-scale deployment
Market Risk	Market sentiment shifts and customer preference	• With the implementation of stricter policies (such as zero landfill policies), the market is shifting towards the utilisation of hazardous and solid waste. If a company fails to respond promptly to changes in market demand and transform or develop relevant businesses, it may lead to a decrease in market share, a reduction in hazardous and solid waste treatment volumes, and an increase in unit project costs • Some companies may cease operations and dismantle facilities due to shifts in market sentiment, resulting in overcapacity in the hazardous and solid waste treatment market and a decline in hazardous waste volume. This could trigger cut-throat competition, leading to decreased profitability	Operation	Medium term	Revenue	☑ Explore resource utilisation and intensive transformation, and strengthen technology innovation to enhance competitiveness

Opportunity Category	Opportunity Factor	Opportunity Description	Value Chain Impact	Timeframe	Financial Impact Aspects	Our Strategy
Regulation and Law	Introduction of carbon pricing mechanisms and deregulating of carbon trading markets	• The production of electricity and heat from biomass utilisation projects are net negative carbon emissions. If the national carbon emissions trading system (ETS) in China expands to include the biomass power sector, the Group can engage in China Certified Emission Reductions (CCER) trading to enhance revenue	Operation	Medium Term	Revenue	☑ Develop talent in carbon asset management to seize opportunities in the carbon market
Market Risk	Market sentiment shifts and customer preference	• To achieve a low-carbon transition, future customer and market preferences may shift towards cleaner "green electricity" and heating, leading to increased demand and revenue • Develop low-carbon smart energy products and services to create new revenue growth opportunities • ESG investment opportunities arising from climate change contribute to enhancing asset value	Operation	Medium to Long Term	Revenue and Asset	☑ Maintain stable supply to boost brand competitiveness and meet downstream commercial clients' emissions reduction needs ☑ Explore pathways for the synergistic development of conventional biomass power and new clean energy sources ☑ Develop zero-carbon industrial parks and virtual power plant businesses to drive the upgrade towards integrated energy services and generate new revenue streams

Assessing Climate Resilience through Scenario Analysis

To further evaluate the potential impacts of climate-related risks and opportunities, the Group references TCFD recommendations and selects climate scenarios published by leading international organisations, such as the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA), for analysis. Based on risk assessments and quantitative analysis results, we formulate corresponding response strategies. The scope of the scenario analysis encompasses all integrated biomass utilisation and hazardous and solid waste treatment businesses under our operational control.

Climate scenario and time range selection

The Group employs the following two pathways to conduct climate scenario analysis for 2030 and 2050 timeframe:

Turquoise Scenario — IPCC SSP1-2.6 and IEA Announced Pledges Scenario (APS)

Brown Scenario — IPCC SSP5-8.5 and IEA Stated Policies Scenario (SPS)

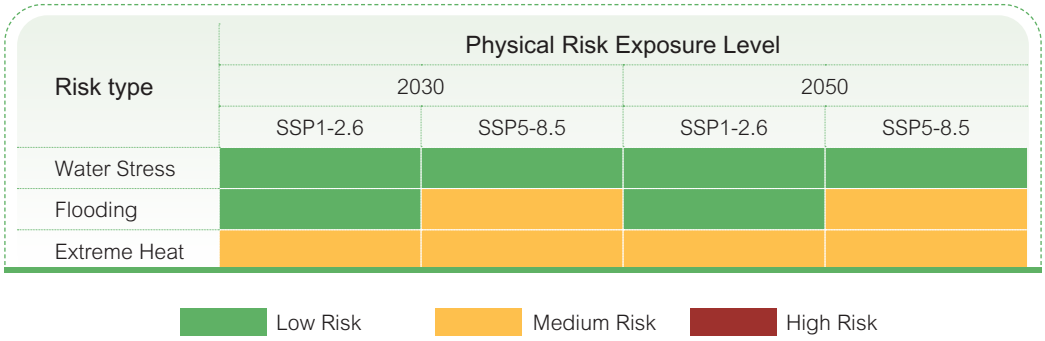
Considering most projects are operated under a concession for approximately 20 to 30 years, the Group thereby selects 2030 and 2050 as the assessment years.

Physical Risk Climate Scenario Analysis

For the analysis of acute and chronic physical climate risks, the Group primarily utilises two representative Shared Socioeconomic Pathways (SSPs) from the IPCC's Sixth Assessment Report (AR6): SSP1-2.6 and SSP5-8.5. SSP1-2.6 represents a relatively low emissions scenario, while SSP5-8.5 denotes a high emissions scenario.

Scenario Assumptions / Parameters	SSP1-2.6 Scenario	SSP5-8.5 Scenario
Global average temperature increase	May reach 1.5°C before 2040, 1.7°C before 2060, and 1.8°C before 2100	May also reach 1.6°C before 2040, 2.4°C before 2060, and 4.4°C before 2100
Global average sea level rise	May reach 0.62 meters before 2100	May reach 1.01 meters before 2100
Climate change impact	Relatively stable, for example, with a projected 2% decrease in crop yields before 2080	Significant, for example, with a projected 14% decrease in crop yields before 2080, potentially affecting common human activities such as food cultivation and outdoor work before 2100
Carbon price	Future carbon neutrality is unclear whether it will be achieved due to the introduction of carbon taxes; the physical risk is relatively low	In the future, there will be no charges for carbon emissions, and the physical risk is relatively high
Energy demand and mix	A rapid transition from a fossil fuel-dependent economy to a renewable energy-driven economy	Energy demand and business models are still driven by profit, with increasing demand for fossil fuels, without proper consideration of environmental and social impacts
Macro-economic factors	Achieving more inclusive economic development while respecting known environmental limits. Low to middle-income countries will maintain a high growth rate in GDP per capita, while high-income countries will show moderate growth in GDP per capita	Global per capita GDP will remain high, with growth primarily relying on traditional fossil fuel-based energy, leading to high GHG emissions before 2100, exacerbating extreme weather events
Changes in population and employment	Slow population growth and fertility rates in high-income countries will remain at a moderate level	Slow population growth and but high-income countries will maintain a relatively high fertility rate
Scenario parameter database	World Wildlife Fund's Risk Filter Suite	

To further understand the key physical risks faced by the Group, we referred to the Risk Filter Suite provided by the World Wildlife Fund (WWF) and conducted a climate scenario analysis on the Group's biomass utilisation projects, as well as hazardous and solid waste treatment projects. This analysis examined the exposure levels of water stress, flooding, and extreme heat risks at the project locations under various scenarios and across different timeframes. By integrating existing response measures and reviewing historical operational data, we were able to preliminarily assess the potential impacts of these risks on the Group. The results of the physical climate analysis are presented below:



According to the preliminary analysis, the Group's integrated biomass utilisation projects as well as hazardous and solid waste treatment projects are facing an overall risk level of low to moderate regarding water stress, flooding, and extreme heat across various climate scenarios.

Given that the majority of project locations may potentially encounter moderate levels of flooding and extreme heat risks in the future, our next steps will focus on undertaking a in-depth analysis of how these risk factors may influence the Group's financial position. In assessing physical risks, significant uncertainties primarily arise from our dependence on climate models and financial loss functions, such as regional variations in impacts and the unpredictable frequency and intensity of extreme weather events. To address these challenges, we intend to collaborate with third-party consultants to carry out more detailed analyses and simulations of the financial impacts (such as revenue, profit, gross margin, and total assets) to ensure we can implement appropriate strategies to mitigate potential financial risks.

Transition Risk Climate Scenario Analysis

For transition risk climate scenario analysis, the Group adopts two climate scenarios from the *World Energy Outlook 2024* published by the IEA to delineate the impacts of key transition risks and opportunities. The APS Scenario takes into account all the climate commitments made by governments and industries around the world, including nationally determined contributions and long-term net-zero targets, and assumes that all governments fully achieve their climate commitments on time. The STEPS Scenario examines how the energy system evolves based on existing and proposed policies and measures, assuming that no additional policies are implemented in the future.

Scenario Assumptions / Parameters	APS Scenario	STEPS Scenario
Scenario description	The scenario considers all climate commitments made by governments and industries worldwide, including nationally determined contributions (NDCs) and long-term net-zero targets, and assumes that all governments fully achieve their climate commitments on time. The median global temperature rise is projected to be 1.7°C by 2100	The scenario examines how the energy system evolves based on existing and proposed policies and measures, assuming that no additional policies are implemented in the future. Under this scenario, the global temperature is expected to rise by 2.6°C by 2100
Carbon price	Carbon price after 2030 is expected to rise significantly, carbon price per tonne of CO_2 is estimated to be USD 40 in 2030 and USD 160 in 2050	Carbon price is relatively low, carbon price per tonne of CO_2 is estimated to be USD 39 in 2030 and USD 52 in 2050
Energy demand and mix	Energy demand gradually shifts from fossil energy to clean renewable energy	
Macro-economic factors	All IEA scenarios assume an identical macro-economic background, without taking into account the correlation among climate actions, climate change and economic growth; it is assumed that total GDP will grow with the passage of time, although at a slower pace	
Changes in population and employment	It is estimated that the energy industry will employ 80 million people in 2030, up from 65 million in 2021, with growth coming mainly from the clean energy sector	Employment in the clean energy sector will increase and that in the fossil energy sector will decrease, with net growth in employment for the energy industry as a whole
Technology	No significant new technological breakthrough in future, although there will be ongoing improvements to technologies, including the infrastructure for energy transportation products, such as intelligent power network and storage technologies for energy retrieval, production and conversion and other technologies	
Regulation and law	The government will launch new policies to fulfil announced commitments	The government will not introduce any new policies apart from the incumbent ones
Scenario parameter database	IEA's *World Energy Outlook 2024*	

Under the APS scenario, as governments impose increasingly strict requirements for environmental protection, the Group's hazardous and solid waste treatment business will face stronger policy pressures, such as the push towards "zero landfill". This may lead to a decline in the nationwide demand for hazardous and solid waste treatment, subsequently affecting our order volume and handling capacity, resulting in adverse impacts on business revenue. However, despite the risk of a shrinking market for hazardous and solid waste treatment, there will be a significant increase in demand for more environmentally friendly resource recovery methods (such as hazardous waste recycling) driven by policies. This presents certain market opportunities for us, while also necessitating more capital investment in technology upgrades and operational optimisation to meet higher environmental standards and compliance requirements.

Under the APS scenario, a significant rise in carbon prices will lead to increased operating costs. Nevertheless, the Group will strengthen carbon reduction efforts by improving technology and enhancing energy efficiency, effectively reducing the financial impact of carbon taxes. Although rising carbon prices will increase costs, the Group's proactive carbon reduction initiatives will limit the long-term financial impact of carbon taxes.

Additionally, the substantial increase in market demand for green electricity and the promotion of the carbon trading market may boost revenues from our biomass utilisation business, providing the Group with opportunities to attract more ESG investors and lower financing costs.

Under the STEPS scenario, the Group's carbon reduction efforts will align with existing national policies and targets, meaning that the scale of carbon reduction research and investment will be relatively less than in the APS scenario. At the same time, as the pace of policy changes is slower, policies like "zero landfill" will only be implemented in current regions and will not be expanded nationwide. Consequently, the risk of market shrinkage faced by the hazardous and solid waste treatment business will be relatively lower, resulting in a slighter impact.

Although the increase in carbon prices in the STEPS scenario is less significant than in the APS scenario, the weaker carbon reduction efforts may render the hazardous and solid waste treatment business more susceptible to the effects of rising carbon prices, leading to increased carbon tax costs. Under STEPS scenario, the growth of market demand for green electricity and low-carbon products will be slower, resulting in lower growth opportunities for the biomass utilisation business compared to the APS scenario.

Climate-related Risk Mitigation Measures

The Group believes that taking proactive steps to mitigate and adapt to potential climate risks, such as extreme weather events and global temperature rise, will enhance our business resilience and enable us to effectively withstand climate-related impacts. The Group plans to address climate-related risks and opportunities across various facets, including policies, procedures, products, and services, integrating them into our business strategies and objectives. We aim to strengthen the Group's climate resilience, minimising the adverse long-term impacts of climate-related risks on our business while contributing to the global response to climate change.

To mitigate the potential impacts of climate change, the Group has developed and implemented a series of short- to medium-term mitigation and adaptation measures:

Emergency Response

The Group has established a robust emergency management system for swift and effective responses during natural disasters. We require project companies to create local emergency plans that comply with national laws, business characteristics, local conditions, and government safety requirements, ensuring the plans are tailored to local needs. Each year, we require project companies to proactively prepare for potential hazards, including typhoon prevention, flood control, summer peak load management, and winter cold protection measures. Additionally, we conduct dedicated safety inspections, increase patrol frequency, and enhance facility protection. To ensure the effectiveness and timeliness of these emergency plans, we set the following requirements for project companies:

- Regular review and update of emergency plans: Emergency plans should be periodically reviewed and updated based on actual conditions to ensure they reflect current realities and management practices.
- Management of emergency supplies: Maintain an inventory of emergency supplies and ensure proper maintenance and efficient distribution.
- Emergency drills and capability enhancement: Develop and conduct drills for scenarios like flood, fire, and extreme weather to enhance employee skills in prevention and response. Keep proper records of emergency drills.
- Assessment and evaluation: Establish assessment criteria and conduct regular inspections to ensure effective implementation of emergency measures.

Comprehensive Preventive Maintenance Plan

The Group has implemented a comprehensive preventive maintenance plan for critical systems, conducting regular maintenance to reduce the risk of failures and increase operational uptime. This ensures that infrastructure remains functional despite the impacts of climate change. The preventive maintenance plan allows project companies to take proactive measures to prevent issues before they arise, or to effectively control the impact of issues once they occur, thereby mitigating negative effects.

Insurance for Climate-Related Risks

The Group has secured insurance coverage for natural disaster risks related to climate change, including lightning, heavy rain, flooding, storms, tornadoes, hail, typhoons, hurricanes, sandstorms, blizzards, landslides, sinkholes, mudslides, ground subsidence, and other natural disasters. The insurance encompasses compensation for project damages, operational interruptions, and worker health issues.

Climate Adaptive Operations

To enhance climate adaptability and ensure stable supply, the Group is gradually implementing the following measures:

- Enhancing weather alerts and trainings: Strengthen the warning and dissemination of weather information, and provide trainings for all employees to raise awareness of climate-related potential impacts.
- Employee health and safety assurance: Provide cooling supplies and establish rest areas equipped with air conditioning and fans, extend break times to avoid prolonged outdoor work during high temperatures, and install heating systems in winter to ensure the normal operation of personnel and equipment.
- Seasonal operational planning: Enhance safety production during summer and winter, and prepare transportation plans in advance to reduce the likelihood and impact of risk events. In winter, some projects will implement anti-freeze insulation for pipelines, while summer will see the installation of circulation pumps and axial-flow fans for equipment cooling.
- Soil and water conservation: Apply coverage treatment to slopes within and near the plant area to prevent landslides caused by soil erosion.
- Drainage system optimisation: Some projects will install rainwater collection wells, drainage facilities, and high-capacity diesel generators. Ensure timely clearing of drainage channels to prevent heavy rainfall from obstructing transportation.
- Water resource management: Commit to water conservation throughout the project lifecycle, actively promoting water reuse and rainwater collection to reduce freshwater consumption. For specific measures, please refer to the "Green Recycling" chapter on pages 68 to 70 of this Report.
- Energy management: Aim to save energy throughout the project lifecycle and install distributed photovoltaics in suitable projects to optimise energy structure. For specific measures, please refer to the "Green Recycling" chapter on pages 66 to 68 of this Report.

Enhancing Stable Supply of Biomass

In response to the impacts of climate change on the supply of biomass fuel, the Group has implemented a range of proactive measures:

Combining localisation with regional scheduling

- Adhere to a localised fuel supply strategy in areas where conditions permit, aiming to reduce procurement costs and stabilise supply. In cases of insufficient fuel supply, implement collaborative biomass scheduling and inventory sharing among nearby projects, based on stock and demand conditions, to ensure steady operational performance across biomass projects.

Optimising biomass structure and quality management

- Optimise the biomass structure and blending, by procuring more types that are less affected by weather to mitigate the impacts of climate change on supply.
- Expand procurement regions and increase the variety of biomass sourced.
- Strengthen the scientific and standardised management of biomass storage, conducting random inspections and inventory checks to identify and promptly rectify any issues.

Ensuring adequate fuel storage and emergency preparedness

- Maintain sufficient fuel stocks and adjust procurement policies as needed.
- Some project sites are equipped with crushers to facilitate flexible operation during extreme weather conditions.
- Prioritise the storage of wood fuel to cope with weather variations.
- Formulate an *Annual Biomass Fuel Storage Emergency Plan* for each project, planning for the impacts of extreme weather on fuel storage annually

Development of Energy-Saving and Emission Reduction Technologies

The Group continuously promotes the development of low-carbon technologies and product innovations. Each year, we collaborate with external governments, universities, and research institutions on various technical projects and specialised research topics. Our innovative projects and research cover a wide range of areas, including ultra-low emission retrofitting, resource utilisation, combustion efficiency enhancement, virtual power plant technology development, distributed heating, high-value utilisation of biomass, and carbon capture. For more details, please refer to the "Technological Development" section on pages 86 to 93 of this Report.

Furthermore, the Group actively explores a range of long-term adaptive measures to respond to physical risks, from the early project site selection to the design phase. We are also deploying low-carbon transition strategies to address transitional risks:

Climate Resilience Design

Project site selection and climate considerations

- During the site selection process, locations with adverse hydrometeorological parameters and/or potential extreme weather conditions will be prioritised for exclusion.
- A thorough analysis of the geological and climatic conditions at the project site will be conducted, with critical areas and key equipment elevation adjusted to accommodate climate change.

Flood control and drainage system design

- Water gates or waterproofing walls will be installed in areas prone to flooding to prevent inundation.
- Climate-adaptive drainage designs will be implemented to meet higher rainfall intensity and shorter return period requirements.
- Sponge city design principles will be adopted wherever feasible during project design and construction, integrating flood prevention while providing landscape value.
- Zero wastewater discharge will be executed in suitable projects to minimise freshwater pollution during operations.

Green building and energy management

- The impact of climate change on the lifecycle of buildings will be examined, with a goal to obtain green building certifications for new constructions/infrastructures wherever possible.
- Advanced technologies, such as real-time energy monitoring systems for smart energy management, will be introduced to closely monitor the energy performance of existing buildings and reduce GHG emissions.

Building structural integrity
- To enhance structural stability in project facilities, the design process will take into account the adoption of stricter wind pressure coefficients, a broader temperature range, and higher snow load standards.

Transportation route planning
- Transport routes will be meticulously designed to mitigate the impacts of climate change on the transportation of waste and raw materials.

Low-Carbon materials and construction
- Suitable low-carbon materials will be selected for construction.
- Biodiesel will be utilised in project construction and equipment to reduce carbon emissions.

Low-Carbon Transition Strategy

Expanding clean energy business
- Expand asset-light and new energy businesses, including environmental remediation, solar energy, wind energy, energy storage, construction of zero-carbon industrial parks, and carbon asset trading, to enhance market competitiveness.
- Develop virtual power plant operations by leveraging advanced information and communication technologies to achieve real-time monitoring and optimal dispatch of distributed energy, thereby participating in power market reforms.

Enhancing resource utilisation efficiency
- Increase the utilisation rate of hazardous and solid waste by optimising handling processes and reducing disposal costs.
- Explore new pathways for resource utilisation, such as high-value utilisation technologies including the production of soil conditioners from biomass ash, to advance the implementation of ash recycling projects and expand market applications for low-carbon circular utilisation.

Strengthening technological innovation and application
- Conduct cutting-edge research and implement projects in the field of biomass, focusing on biomass natural gas, biomass carbonisation, and biomass film production.
- Develop efficient pollution control technologies, advancing intelligence in the environmental management sector by creating effective flue gas denitrification and desulphurisation technologies, as well as smart navigation instruments for waste incineration boilers.
- Develop integrated energy supply services, comprehensive energy utilisation services, energy system services, and smart energy services to enhance the quality and intelligence of energy services.

03 Risk Management

Risk management is crucial for the Group's sustainable development. Our risk management framework features a "Three Lines of Defence" model, with the Board and the Audit and Risk Management Committee responsible for overseeing related risk management activities.

As climate change increasingly impacts business development, climate risk management has been integrated into the Group's corporate risk management system. This integration aims to comprehensively monitor and address the risks the Group may face in the future. With the assistance of the Audit and Risk Management Committee, the Board regularly reviews the identified risk categories and the effectiveness of the internal control systems, providing timely feedback that includes considerations of ESG and climate-related risks.

The Group also maintains a risk register to continually identify key risks and emerging risks at both the corporate and project levels. To manage climate-related risks more effectively, the Group conducted a review of its integrated biomass utilisation business as well as hazardous and solid waste treatment business during the Reporting Period. This review identified key climate-related risks and opportunities, and assessed the impact of physical and transitional risks on the Group through scenario analysis. For more details on risk management, please refer to the "Sustainability Governance" section on page 16 of this Report.

04 Metrics and Targets

Greenhouse Gas Emission Metrics and Targets

Climate change is becoming increasingly significant for the Group. In addition to strongly supporting government carbon reduction initiatives and net-zero emission commitments, as well as strictly complying with national and local regulatory requirements, the Group continuously monitors and discloses our GHG emissions, aiming to assess the effectiveness of the Group's climate response efforts while effectively identifying and implementing feasible emission reduction measures.

The Group places great emphasis on data quality management. In 2023, we issued and implemented the *ESG Data Management Measures* and the *ESG Data Collection Guidelines* to establish a standardised framework for project-wide data reporting, strengthening ESG data management. During the Reporting Period, we reviewed and optimised our data reporting processes to enhance ESG data quality and implemented an online platform for ESG data collection. This platform enables the direct retrieval of key production data from the production management system, further improving data accuracy and reliability. Additionally, the Group revised and updated the GHG emission calculation methodologies to align with those of the parent company, CEEGL, thereby improving data accuracy and comparability. To ensure historical data comparability, we have recalculated and restated GHG emissions for the past two years in accordance with the updated methodologies.

The updated methodologies also involved adjustments to the scope of GHGs and emission sources. For example, Scope 1 sources that accounted for less than 0.1% of total emissions were excluded, allowing for more effective resource allocation towards monitoring and managing key emission sources. Additionally, the calculation scope for Scope 3 emissions was expanded to provide a more comprehensive reflection of the Group's total GHG emissions.

The Group is committed to enhancing data quality and transparency, to provide stakeholders with more valuable disclosure information. In 2024, the Group successfully reduced the GHG emission intensity of hazardous and solid waste treatment business through measures such as enhancing energy efficiency and technological upgrades. However, due to fluctuations in the composition of waste treated, the GHG emission intensity of integrated biomass utilisation and general industrial solid waste treatment business has slightly increased. We are committed to continuously monitoring greenhouse gas emissions across the Group and its operational segments, while further strengthening technological innovation and improving the operational efficiency of project facilities. These efforts underscore our unwavering dedication to achieving low-carbon operations across all business lines. The Group will consider setting GHG emission reduction targets at an appropriate time to demonstrate our commitment to addressing climate change.

For details on the Group's Scope 1, Scope 2, and Scope 3 GHG emissions, please refer to "Appendix 3: KPI Overview" set out on pages 125 to 127 of this Report.

Indicator	Integrated Biomass Utilisation			Hazardous and Solid Waste Treatment			General Industrial Solid Waste Treatment		
	2024	2023	Difference	2024	2023	Difference	2024	2023	Difference
GHG emission intensity (Scopes 1 and 2)	0.10	0.09	8.3%	0.37	0.47	-21.2%	0.92	0.87	5.0%
GHG emission intensity (Scopes 1, 2 and 3)	0.11	0.10	8.8%	0.38	0.48	-20.9%	0.93	0.89	5.3%
Unit	Based on biomass and household waste processed (tonne CO_2 equivalent/ tonne)			Based on hazardous and solid waste processed (tonne CO_2 equivalent/ tonne)			Based on general industrial solid waste processed (tonne CO_2 equivalent/ tonne)		

Climate Risk and Opportunity Metrics

To better understand the impact of climate change on operations, the following are new climate-related risk management metrics and capital allocation metrics introduced this year. These metrics enable the Group to monitor progress in managing climate-related risks and opportunities. The Group will continue to disclose and monitor these metrics to assess the effectiveness of adaptation measures across all projects and further refine the Group's risk management procedure.

Metric Type	Metric	Unit	2024
Risk management	Number of forced outage days due to extreme weather	Day	8
	Number of employee sick days due to extreme weather	Day	0
	Number of employee injury days due to extreme weather	Day	0
	Total hours of emergency drills on climate change topics	Hour	88
	Area that incorporates flood retention & sponge city design	m^2	807,755
Capital allocation	Research and development expenses for low-carbon/sustainable technology issues	RMB (million)	67.70

Over the next 5 years, the Group will continue to increase investment in zero-carbon industrial parks, centralised wind-solar-storage projects, environmental remediation, biomass valorisation, and solid waste resource utilisation to support our long-term climate transition strategy. In 2024, the Group established climate opportunity-related targets:

By 2030, the total installed capacity of renewable energy projects (including wind, solar, storage, and charging) will reach at least 1,000 MW, and electricity trading volume will exceed 15 billion kWh.

05 Next Steps

Developing a climate strategy and implementing related measures effectively is a critical step towards transitioning to a low-carbon society. The Group recognises that quantifying the financial impact of climate-related risks and formulating a climate transition strategy are top priorities for our future work. To this end, we will conduct in-depth climate risk assessments, integrating the Group's business characteristics and industry trends. Within our capacity, we will gradually advance quantitative analysis to ensure that, in the future, we can accurately disclose the financial impact of climate-related risks and opportunities. This will provide stakeholders with more valuable and transparent data to support decision-making.

Aligned with our established targets, over the next 5 years, the Group will focus on the clean energy sector, with a strategic emphasis on the "Zero-carbon Industrial Park + Virtual Power Plant" business model. Specifically, we will leverage AI, digital technology, and big data analytics to enhance decision-making, management, and renewable energy trading; develop a Virtual Power Plant Electricity Trading Platform to integrate and optimise biomass power generation, waste-to-energy, solar, wind power, and storage, increasing trading efficiency and revenue; advance "Zero-carbon Industrial Park + Biomass Heating" solutions, optimising energy structures and efficiency through distributed solar, storage, EV charging, biomass gasification, and energy-carbon management.

Looking ahead, we will continuously review and assess the impact of climate-related risks and opportunities on the Group, ensuring that our management strategies and response measures remain comprehensive and effective. Throughout the low-carbon transition, we will continuously refine our sustainability strategy, enhance implementation capabilities, and actively explore business opportunities arising from the low-carbon economy transition. Additionally, we are exploring the feasibility of establishing internal carbon pricing (using solar energy projects as pilot study), setting emission reduction targets and linking climate-related performance indicators to management performance evaluations and remuneration policies, reinforcing our commitment to climate action and company-wide engagement.

SAFE PRODUCTION

The Group places great importance on employee health and safety, considering workplace safety and well-being as top priorities. As such, the Group has formulated and implemented effective safety measures under the principle of 'Safety First, Life Above All' to create a safe and healthy work environment. During the Reporting Period, the Group developed and issued the *Three-Year Action Plan for Fundamental Safety Production Improvements (2024-2026)*. This plan aims to enhance project safety management through 3 years of in-depth governance and 18 key measures, focusing on improving hazard identification and rectification quality, strengthening accident prevention capabilities, and enhancing the safety skills and competencies of all employees.

Occupational Health and Safety ("OHS") Management

The Group is committed to continuously improving occupational health and safety management systems. Currently, a series of policies have been developed in accordance with relevant national laws, local regulations, and industry standards, including the *Safety Management Manual, Occupational Health Management Standard, Occupational Health Supervision Management Standard, Safety and Environmental Accident Accountability System* and *Measures for the Management of Safe Production, Employees' Health and Accidental Injury Protection Fund.* These policies ensure a safe working environment for all employees, protect staff, third-party contractors, and subcontractors from occupational injuries, and maintain public safety.

In formulating or revising safety management policies, the Group places high value on employee participation and actively seeks input from staff at all levels. We are committed to ensuring that these policies not only adhere to national and industry standards and meet operational needs, but also receive employees' acceptance. Additionally, the Group is dedicated to periodically updating these policies and management systems to align with the latest developments.

Risk Identification Process

The Group has established a rigorous risk identification process as part of the comprehensive safety management system, which systematically identifies and assesses potential risk factors that could lead to safety incidents:

Identification

- Conduct risk identification across various dimensions, including geographic regions, natural conditions, operation environments, technological process equipment and facilities, and operational tasks.
- Consider hazardous factors in relation to the "three timeframes" (past, present, future) and the "three states" (normal, abnormal, emergency).
- The scope of identification encompasses phases including planning, design, construction, commissioning, and operation, along with both routine and non-routine activities.

Assessment

- Select appropriate risk assessment methods, such as Risk Matrix Analysis, Job Safety Analysis, and Occupational Disease Classification, based on the specific circumstances to conduct either qualitative or quantitative evaluations of the risks associated with identified hazards.

Classification

- Based on risk assessment methods and results, safety risks are classified according to standard criteria. Risks are categorised into 4 levels, in descending order: critical, major, moderate, and low, represented by the colour codes red, orange, yellow, and blue, respectively.

Register

- Establish a risk checklist that includes the risk nature, location, category, level, management themes, and control measures.

Management

- Create a four-colour safety risk distribution chart and a comparative chart of operational safety risks.
- Establish a safety risk information management system utilising information technology.

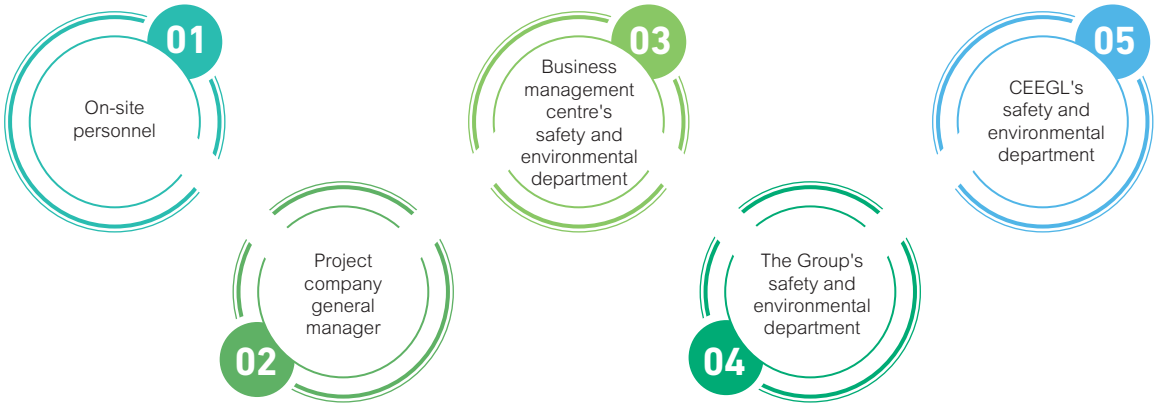
Safety and Environmental Incident Management

To facilitate systematic management of safety and health affairs, the Group has established a Safety and Environmental Management Committee (the "Safety Committee") chaired by the Chief Executive Officer, and established a Safety Committee Office under the Safety and Environmental Management Department responsible for the review, planning, coordination and supervision of all tasks related to safe production. The Safety Committee holds a plenary meeting at least once a quarter to receive reports from projects and deal with material safety issues identified in the production processes. The Safety Committee consists of employee representatives who can directly participate in the formulation of systems, planning of tasks and approval of goals in relation to safety management, in order to ensure that the Safety Committee could genuinely solve practical health and safety issues encountered by employees in their daily operations.

Headquarters	Safety Committee:	Responsible for formulating and reviewing management systems, deploying management tasks, approving the Group's annual safety plans and objectives, as well as holding regular meetings to oversee progress and resolve safety-related issues
	Safety and Environmental Management Department:	Responsible for assisting the Safety Committee in implementing the safety and environmental management system and related policies across the Group; supervising and inspecting the implementation of safety and environmental measures in various projects to ensure their effectiveness, and providing necessary support and guidance; setting safety and environmental management targets
Business Management Centres		Responsible for implementing the decisions of the Safety Committee, and for deploying, supervising, and inspecting safety and environmental management tasks within its jurisdiction.
Project Companies		Responsible for implementing the work set out by the headquarter and business management centres, deploying safety and environmental management tasks at project company level, and taking necessary corrective actions based on inspection results.

Each project company, business management centre, and headquarters has established a Safety and Environmental Department responsible for implementing safety and environmental management tasks, such as organising safety education and training, inspecting safety production conditions, and identifying and eliminating hidden dangers of production safety incidents. The Group has also established a reward mechanism for employees reporting hidden dangers, encouraging staff to proactively report safety incident risks and collaboratively enhancing workplace safety.

In accordance with the requirements of the *CEEGL's Safety Accidents, Environmental Incident Management Policy*, safety incidents and environmental events are categorised into 4 levels based on their impact and severity, with level 1 being the most serious. Following the occurrence of a safety incident or environmental event, the relevant on-site personnel should immediately report to the general manager of the project company or the engineering command centre, as well as to the project company's Safety and Environmental Department. Subsequently, the project company's Safety and Environmental Department should report to the relevant government authorities as required and escalate the report to the Group's Safety and Environmental Department and the parent company, CEEGL's Safety and Environmental Department, using face-to-face communication, phone calls, text messages, emails, and other means. The accident reporting path is as follows:



Meanwhile, the accident unit should immediately activate the corresponding emergency response plan based on the level of the incident and take effective measures to prevent further escalation. For incidents classified as level 3 or above, CEEGL's Safety and Environmental Department will lead the investigation, analysis, and conclusion. For level 4 incidents, the Group's Safety and Environmental Department will organise the investigation, with the report submitted to CEEGL's Safety and Environmental Department for record-keeping. Ultimately, accountability for the incident will be established, determining the responsible parties and relevant personnel, based on the type and level of the incident.

Standardising Safe Production and Developing Dual Prevention Mechanism

Standardising safe production and developing dual prevention mechanism are the Group's key focus every year. Currently, all projects within the Group adopt standardized operating procedures ("SOPs"), and corresponding safety operation protocols have been established for different business types, work locations, production systems, and production processes. All project companies regularly review and update the SOPs based on actual conditions to ensure their applicability and effectiveness.

2024 Performance on Standardising Safe Production and Developing Dual Prevention Mechanism

In 2024, a total of **34** projects' OHS management systems have been certified by **GB/T 33000-2016**[7], including:

- **22** projects achieved safety production standardisation level II
- **12** projects achieved safety production standardisation level III
- **100%** of projects in operation have completed the development of the dual prevention system

The Group also actively promotes project companies to obtain international / domestic management system certifications. Currently, **4** project companies of the Group have successfully obtained the **ISO 45001** or **GB/T 24001** Occupational Health and Safety Management System certification.

Employee Health and Safety

The Group is committed to controlling OHS risks and the risk of accidents and work injuries, with a view to fostering a safe and healthy workplace. To assure genuine protection of employees' health, the Group has formulated the *Occupational Health Management Standard* and *the Occupational Health Supervision Management Standard*, with the aim of enhancing occupational health management at workplace, as well as preventing, controlling and eliminating occupational disease hazards. The Group also encourages employees to report potential hazards related to occupational health and safety to relevant departments and is committed to taking all feedback seriously. The Group's OHS Management System strictly protects the privacy of whistleblowers to prevent safety incidents from unreported issues.

In 2024, we successfully achieved our annual safety management goals:

No level 4 or above safety incident occurred[8]

At the beginning of every year, the Group sets clear safety management goals and assessment scopes, establishing annual safety KPIs. In accordance with CEEGL's *Safety Accidents, Environmental Incident Management Policy* and the Group's *Safety and Environmental Accident Accountability System*, safety and environmental incidents are directly linked to the remuneration of responsible officers, including the directly responsible person, relevant personnel, and overseeing management. Depending on the severity of the incident, consequences may include salary reductions, demotions, or other penalties.

Safeguarding Occupational Health

The Safety and Environmental Management Department of each project company is responsible for commissioning a qualified occupational health service provider to conduct an occupational disease hazard assessment annually, and a comprehensive risk evaluation every 3 years. If non-compliance with national occupational health standards—such as excessive noise, dust, or chemical irritants—were identified in the assessments, the responsible department must implement corrective measures and evaluate their effectiveness. The relevant assessment results will serve as one of the criteria for updating the OHS management system.

[7] Guideline of *China Occupational Safety and Health Management System* (GB/T 33000-2016).

[8] Incidents are classified into different levels according to the *Safety Accidents and Environmental Incident Management Regulations* published by CEEGL.

In the event of an OHS incident, the project company shall immediately conduct an analysis of occupational disease hazards at the workplace and perform monitoring. The results should be recorded in the *Dust Inspection Log for Workplaces* or *Noise Inspection Log for Workplaces*. All monitoring results shall be publicly displayed and recorded in the occupational health files. Meanwhile, the Group has adopted various measures, such as the posting of safety warning slogans, installation of safety warning signs and protective facilities, distribution of personal protection equipment and regular maintenance of protective and monitoring equipment, to further reduce the risk of occupational health hazards at workplace.

2024 Employee Safety Data

No

major safety incidents occurred

Coverage rate of OHS Management System 100%	Safety and health related investment (including insurance premium) RMB 74.90 million	Fatality due to work-related injuries 0
Fatality rate due to work-related injuries 0	Serious work-related injury cases (excluding fatalities) 0	Serious work-related injury rate (excluding fatalities) 0
Work-related injury case 7	Work-related injury rate 0.10	Workday lost due to work-related injuries 449

No.	Project Name	Safety and Environmental Management Honour
1	Dangshan Integrated Biomass and Waste-to-Energy Project	Anhui Province Environmental Protection Integrity Enterprise Advanced Enterprise in Safety Production
2	Xiaoxian Integrated Biomass and Waste-to-Energy Project	Provincial-Level Health Enterprise
3	Hanshan Biomass Project	Fire Brigade Training Base
4	Zhongjiang Integrated Biomass and Waste-to-Energy Project	2023 Provincial-Level Health Enterprise 2023 Provincial-Level Environmental Protection Integrity Enterprise
5	Xinyi Hazardous Waste Treatment Project	Environmental Protection Demonstration Enterprise
6	Zibo Hazardous Waste Treatment Project	2023 Linzi District Ecological Environment Bureau "Responsible Enterprise"
7	Linshu Hazardous Waste Treatment Project	2023 CEEGL Safety and Environmental Demonstration Project Advanced Environmental Protection Enterprise of Linshu County Economic Development Zone
8	Haimen Hazardous Waste Treatment Project	2023 Advanced Enterprise in Safety Production (Fire Safety) 2023 Advanced Enterprise in Haimen District for the Implementation of Safety Production Responsibilities First Prize in Haimen District "Safe and Healthy Cup" Knowledge Competition
9	Huangshi Hazardous Waste Treatment Project	2024 Individual Second Prize in the Lower Lu District Fire Rescue Team Competition 2024 First Prize in the Huangshi City Ecological Environment Law Enforcement Enterprise Environmental Protection Skills Competition
10	Rugao Biomass Project	2023 Advanced Unit in Safety Production from the Nantong City Electric Power Industry Association 2023 Advanced Unit in Safety Production from the Rugao Development and Reform Commission

In addition to implementing various measures to mitigate occupational risks at the workplace, the Group provides employees with different forms of occupational health examinations in accordance with the provisions of the *Occupational Health Supervision Management Standard*. These examinations include pre-employment occupational health assessments, employment occupational health evaluations, off-boarding occupational health checks, emergency health assessments, and health protection for special employees, among others. The Group is committed to properly safeguarding the personal occupational health monitoring files of employees and ensuring the strict confidentiality of their personal health information.

2024 Employee Health Data

Employee regular health check rate	Occupational disease case	Fatality due to occupational disease
100%	0	0

The Group also provides annual health examinations and purchases medical insurance for all employees to help them timely understand their health status, alleviate the burden of illness, and maintain a good level of personal health.

Employees' health and safety training has always been one of the most important means to enhance the health and safety awareness and first-aid competence of employees. The *Occupational Health Management Standard* stipulates that the General Management Department should formulate an annual occupational health education and training programme to be included in the Group's annual safety education and training plan. All newly recruited employees, reassigned employees, and contracted workers must complete occupational health education and training, covering topics such as occupational disease prevention laws and regulations, workplace hazards, and emergency response measures. Following this training, participants are required to pass an assessment before officially starting their roles. Additionally, in-service employees and long-term contracted workers are required to receive occupational health education and training at least once per year.

During the Reporting Period, the Group's project companies have organised employee training on various occupational health and safety topics, such as occupational hygiene, cardiopulmonary resuscitation, fire safety, heat stroke prevention, and summer construction safety in high temperatures.

▲ Occupational Health Training at Zhongxiang Integrated Biomass and Waste-to-Energy Project

▲ Occupational Disease Hazard Prevention and Control Training at Guixi Biomass Project

▲ Cardiopulmonary Resuscitation (CPR) Training at Weihai Biomass Project

▲ Occupational Disease Prevention Training and Free Medical Consultation at Shayang Integrated Biomass and Waste-to-Energy Project

Contractor Safety Management

The Group attaches great importance to the safety management of contractors and has incorporated contractor management into the Company's safety and environmental supervision system. The *Safety Management Manual* and *Administrative Regulations for Stakeholders' Safety, Health and Environmental Protection* published by the Group has set out specific provisions for contractor safety management. Responsibility for contractor safety management lies with relevant functional departments, business management centres, and project companies, which are responsible for qualification vetting and safety supervision, under the oversight of the Safety and Environmental Management Department.

Qualification Management	Configuration Requirements	Safety Supervision	Assessment and Training
Contractors' safety qualifications and professional credentials should be reviewed, only qualified contractors should be selected, and service contracts and "*Letter of Responsibility for Production Safety, Occupational Health, and Environmental Protection*" should be signed.	The contractor should be required to set up a safety management organisation or equip safety management personnel. If the contractor has more than 100 workers, it should have a safety management organisation; if it has more than 30 workers, it should have full-time safety officers; if it has less than 30 workers, it should have part-time safety officers.	(1) All contractors entering the project sites should complete safety training and pass the required examination to receive the entry pass. (2) The special operation permits of special operation personnel and special equipment operators under contractors and the test certificates of their operating instruments and equipment should be vetted. (3) Contractors should be procured to take out work injury insurance policies and organise occupational health check for operating personnel.	Management and assessment on the contractors' compliance with contract obligations and safety and environmental responsibilities should be conducted. Safety capability training for contractors should be implemented to continuously enhance their safety management standards.

In accordance with the *Supplier Management Measures*, the Group's Procurement Management Departments at all levels shall conduct a general assessment on contractors or suppliers at the end of each year. The Environment, safety, occupational health and social ("ESHS") management would account for 25 points in the assessment of contractors in charge of installation and civil engineering equivalent to a 25% weighting, indicating the importance of ESHS management in the supplier assessment regime. The on-site management personnel of the Group's project are responsible for supervision and inspection of contractor's site operation. Safety appraisal standards for contractors and a contractor blacklist mechanism have also been established for the quantitative appraisal and dynamic evaluation of contractors. Contractors who have failed in the appraisal will be included in the blacklist and banned from future bidding.

The Group has also established special appraisal plans for safety and environmental management, conducting rigorous evaluations of the competence of functional departments, business management centres and project companies. Contractor management is a key assessment criterion, accounting for 30 points in the safety and environmental process management appraisal, representing a 30% weighting.

Moreover, the Group has formulated and published the *Safety Management Standards for External Partners* for the further regulation of safety management at servicing units such as those engaged in equipment maintenance, repair, monitoring and facility management, among others, in order to regulate the conduct of the employees of external partners. The Group manages employees of external partners in accordance with standards applicable to its officially employed staff and requires the project companies to cover external partners in their safety production accountability system with specific provisions on their safety duties and to conduct monthly appraisal on the external partners' performance. Project companies also need to require external partners to organise or participate in roster-based safety promotion activities according to requirements and organise OHS learning and emergency drills on a regular basis to ensure the safety of people, operations and assets for all parties.

2024 Safety and Health Data of Contractors and External Partner On-Site Employees

Coverage rate of OHS Management System

100%

Fatality due to work-related injuries 0	Fatality rate due to work-related injuries 0	Serious work-related injury cases (excluding fatalities) 0
Serious work-related injury rate (excluding fatalities) 0	Case of work-related injury 0	Work-related injury rate 0
Workday lost due to work-related injuries 0	Occupational diseases 0	Fatality due to occupational disease 0

Enhance Safety Culture

The Group remains committed to fostering a strong safety culture based on the principle of "Safety First, Life Above All". It promotes a workplace environment where everyone prioritises safety, is proficient in emergency response, and feels empowered to report unsafe behaviours and conditions without hesitation. To maximise identification and elimination of safety hazards, we have implemented a patrol inspection system for our production lines, whereby patrollers inspect the production sites without intermission on an around-the-clock basis and immediately report any problems, hazards and deficiencies to supervisors upon identification. In connection with safety and environmental management, a dual prevention mechanism has been implemented whereby staff at all levels carry out hazard inspection according to plans and report to their supervisors for rectification in a timely manner.

Safety Capacity Development

During the Reporting Period, we continued to strengthen safety supervision and inspection, supported by our established rules and regulations. Additionally, we enhanced staff safety awareness and fostered a safety culture by organising a substantial number of safety education and training sessions.

Safety Supervision

100% of our safety and environmental branch leadership and dedicated safety and environmental management personnel held certificates[9]

81 dedicated safety and environmental personnel held certificates as registered safety engineer

[9] Refers to the internal safety professional qualification certificate.

Safety Inspection

The Group has consistently required units at all levels to conduct regular safety inspections, focusing on safety and environmental management loopholes. Specific requirements are as follows:

- Quarterly inspections: Each business management centre shall organise a safety supervision inspection for projects once per quarter
- Special inspections: The Safety and Environmental Management Department shall conduct at least 12 special safety inspections each year
- Headquarters-Level training and exchange activities: The Safety and Environmental Management Department shall organise at least 4 safety trainings and exchange activities each year
- Cross-Sector safety and environmental supervision: To carry out paired assistance initiatives, strengthen safety and environmental related communication between sectors, and continue to enhance the overall level of safety and environmental management

2024 Safety Inspection Data

Hazard identification and remediation activities
2,109 times

Safety Inspection Coverage Rate
100%

Progress in rectifying general incidents and hazards
100%

Unannounced Safety Inspections
147 times

Specialised inspection
20 times

(including confined space inspections, ineffective environmental facility inspections, environmental compliance inspections, summer fire safety inspections, automatic monitoring equipment inspections, key area video surveillance inspections)

Safety Training

Employee safety training and emergency drills are essential components of the Group's safety management system. In addition to induction training and the possession of relevant certificates as a condition to starting in a position, the principal officer and safe production management personnel of an enterprise must attend safe production training on a regular basis and register no less than 12 training hours of refresher training each year. The principal officer and safe production management personnel of an enterprise engaged in dangerous chemical products must register no less than 16 training hours of refresher training each year. All relevant personnel are strictly subject to this requirement. Accordingly, the Group organises multiple safety training sessions for our employees and contractors/ external partners each year and incorporates such training requirements into the annual appraisal of projects, safety management department and branch management of the Group.

During the Reporting Period, the Group built an online training platform that includes a safety and environmental training courseware library, an assessment question bank and best safety management practice cases, and organised graded training and assessment covering all key positions.

2024 Safety Training Data

Safety and Health Training Coverage: 100% of internal employees and on-site employees of contractors/ external partners

Safety and Occupational Health Training for Internal Employees: 1,114 sessions and 2,078 hours

Safety and Occupational Health Training for Contractors/External Partners: 983 sessions and 1,948 hours

Specific Appraisal

In order to effectively confirm the safety and environmental management responsibilities of all employees, the Group implements special appraisal on safety and environmental management and prepares a special appraisal plan, focusing on assessing the safety and environmental management processes and accident occurrences of units at all levels. The appraisal includes but not limited to:

- Establish robust safety and environmental systems and regimes
- System of safe production responsibilities for all employees
- Safety and environmental education training and emergency drills
- Safety and environmental management grade rating
- Special safe production rectification and dual prevention regime, control over dangerous operations
- Contractor / external partner management
- Special safety and environmental cost management

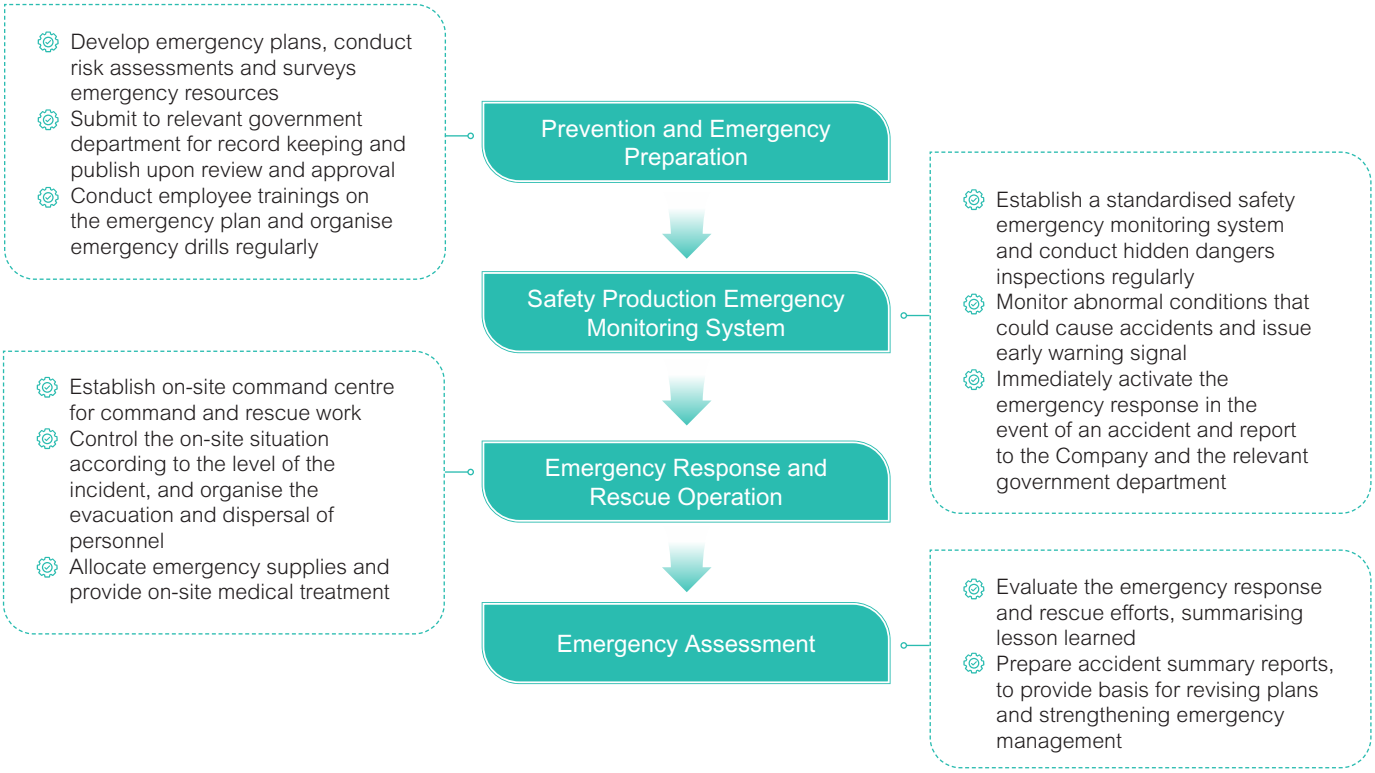
Cross-Sector Safety and Environmental Supervision and Support Plan

To promote the *Three-Year Action Plan for Fundamental Safety Production (2024-2026)*, the parent company, CEEGL, has formulated and implemented a *Cross-Sector Safety and Environmental Supervision and Support Plan (2024 Trial)*. This plan applies to three business sectors, Everbright Environment, Everbright Greentech, and Everbright Water, covering a total of 32 projects, of which 17 projects from the Group are designated as pilot support projects.

The core components of this plan involve conducting in-depth inspections focused on flood prevention, disaster management, heat stroke prevention, safety production responsibility systems, risk prevention in high-risk locations and hazardous operations, on-site safety and civilised production practices, as well as the allocation and utilisation of safety production funds. Furthermore, the plan underscores the organisation, principles, safety measures, and disciplinary requirements for inspection and support work to ensure the quality and effectiveness of supervision and inspection. Through these initiatives, project companies have strengthened inter-sector communication and collaboration, enhanced safety and environmental management practices, and further ensured the stability of their safety and environmental management framework.

Emergency Plan and Procedure

The Group strictly adheres to the *CEEGL's Regulations for Emergency Management of Production Safety Incidents* and has established a comprehensive emergency management system. Tailored to business characteristics, environmental conditions, and legal requirements, each project company has developed targeted emergency plans that clearly outline emergency response processes and handling procedures. These emergency plans are subject to continuous evaluation and optimisation to strengthen their capacity for swift response to a variety of emergencies and to enhance overall handling efficiency.



Our emergency management system underscores the importance of regular emergency drills to improve response capabilities and self-evacuation skills of employees. Emergency drills cover a variety of possible emergencies such as fires, leaks, natural disasters, to ensure that employees can respond quickly and effectively in emergencies. We require each project company to conduct a comprehensive emergency drill at least once a year, conduct a special emergency drill at least once every 6 months, and organise an on-site treatment drill at least once every quarter. In order to ensure the effectiveness of the drills, the Safety and Environment Department of the Business Management Centre will conduct regular spot checks to ensure that the quality of the drills meet the standard.

2024 Emergency Drill Data

Number of emergency drills	Coverage of emergency drill activities	Participants in drill activities
521	100%	7,832

The Group will recognise and reward employees or teams who excel in emergency management, particularly those who successfully prevent or minimise accident losses, offer effective recommendations, or demonstrate exceptional performance during rescue operations. Conversely, we will not tolerate non-compliance with emergency management regulations, including failures to implement necessary precautions, delayed or false incident reporting, and inappropriate conduct during emergency responses. Relevant personnel or departments will be required to promptly rectify these issues under our supervision to ensure compliance and to underscore the critical importance of emergency management.

▲ Safety and Environmental Emergency Drill at Yuan'an Biomass Project

▲ Safety and Environmental Emergency Drill at Suqian Industrial Waste Project

Natural Disaster Response Management

The Group has fully considered the impact of extreme weather and natural disasters during the project design stage, conducted rigorous analysis of local geological and climatic conditions, and raised the elevation of key areas and equipment to ensure the safety. To cope with flood risks, the Group has also formulated the *Management Regulations on Flood Prevention* and increase the coverage of greenery during project design and construction as means of landscaping and flood control.

In responding to natural disasters and extreme weather incidents, the Group has implemented effective warning and planning. During the Reporting Period, we issued several notifications, including *Guidelines for Operational and Environmental Management during the May Day Holiday, Safety Production Measures for the Dragon Boat Festival*, and *Urgent Communications on Flood Prevention and Disaster Management*. We require project companies to proactively prepare for typhoons, floods, peak summer demands, and winter cold, conducting special safety inspections and enhancing facility protection, and increasing patrols.

Furthermore, our emergency management system includes response measures for extreme weather disasters, such as heavy rain, floods, typhoons, and thunderstorms. This ensures rapid response in the event of a disaster, minimising potential property losses. To maintain operational performance of our infrastructure amid climate change, the Group has implemented a comprehensive preventive maintenance programme, conducting regular and frequent maintenance on critical systems to reduce failures and prolong operation availabilities.

The Group has secured insurance against climate-related natural disaster risks, including lightning, heavy rain, floods, storms, tornadoes, hail, typhoons, hurricanes, dust storms, blizzards, landslides, subsidence, mudslides, ground collapse, and other events. This insurance covers damages to projects, operational interruptions, and worker health.

The Group has conducted climate scenario analysis to assess the potential impacts on our business due to physical and transition climate risks and to adjust our response strategies accordingly. For detailed results, please refer to the "Addressing Climate Change" chapter on pages 29 to 39 of this Report.

Informatisation of Safety Management System

The Group has continued to develop of information-based management systems to enhance safety management. Currently, the Group has completed the establishment of a sophisticated production management system that incorporates safety production management. The system covers aspects such as investments in safety, education and training, emergency rescue, fire safety management, accident management, safety inspection and contractor management, among others. On one hand, the system ensures more regulated management of work tickets and operation tickets, enhancing the standardisation of maintenance and critical equipment operations, it can also facilitate closed-loop management of hazard rectifications, improving efficiency. On the other hand, the system encourages experience-sharing and learning across projects, strengthening safety and environmental management practices. As a result, the safety and environment ledger is more complete, and management becomes more standardised.

In addition, we have developed a Smart Safety Defense System: a customised video surveillance solution powered by an AI algorithm engine, an algorithm management platform, and an algorithm development training platform. The system sends out instant safety warning by designating region of interest ("ROI") , constructing identification models, and identifying unsafe actions and environments, which helps to eliminate hazards and prevent safety incidents. Currently, the system is operating on a trial basis at the Group's two projects in Huangshi and Dingyuan. Preliminary system building and training for certain models have been completed, such as the identification of unsafe actions (e.g. use of safety helmet and fall) and unsafe environments (e.g. identification of smoke and fire).

Examples of Smart Safety Defense System Security Algorithm

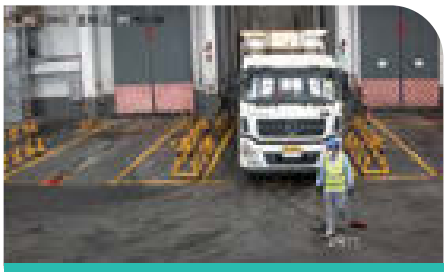
Algorithm for vehicle's safety lock by ground anchor

Identification Process

Step 01 — Unloading vehicle arrives at designated ROI

Step 02 — Detect if the vehicle has stopped for more than 30 seconds

Step 03 — Identify through algorithm whether the vehicle is restrained by safety lock



Monitor vehicle backing up

Detect safety lock

Algorithm for safety harness of unloading platform staff

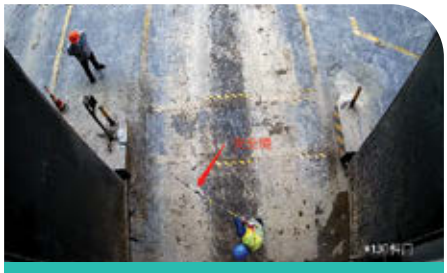
Identification Process

Step 01 — Identify whether any unloading platform staff has entered the designated ROI

Step 02 — Detect whether the unloading platform staff has properly worn safety harness

Step 03 — If safety harness is not worn, the system will issue a warning signals

Whether worker has entered the ROI



Whether worker has worn safety harness

Algorithm for drivers disembarking the vehicles

Identification Process

Step 01 Vehicle arriving at the designated ROI

Step 02 Detect whether the driver has disembark the vehicle within 30 seconds of entering the ROI

Step 03 If the driver has not disembarked, the system will issue a warning signals

Monitor vehicle backing up

Whether the driver has alighted from the vehicle

Our Smart Safety Defense System Objectives:

Project Company Level: Implement functions such as automated recording plant personnel identification, detecting of non-compliant operations and safety hazards and closed-loop hazard elimination, support uploads and organisation of mobile phone snapshots using the Wechat mini-app. Provide analytical functions relating to plant personnel control analysis and safe production risk control and rating.

Headquarters and Business Management Centre Level: Instantly inspect smart identification results of subsidiary units and plants to obtain information on safe production risks, monitor personnel entering the plants and information on non-compliance.

GREEN RECYCLING

Enhancing Environmental Management

The Group has established a Safety and Environmental Management Committee to coordinate environmental management. Each project company is required to establish its own safety and environmental management departments with dedicated officers and develop environmental protection systems and regimes. The general managers of project companies are the lead officers for environmental protection and responsible for advancing the development of sound accountability systems for environmental protection and have set out the responsibilities of all departments and employees of all grades and positions in environmental protection.

In 2024, we successfully achieved our annual environmental management goals:
No level 4 or above environmental incident occurred[10]

During the Reporting Period, the Group strictly adhered to various environmental management systems and procedural documents established by the parent company, CEEGL (for details, please refer to "Appendix 2: List of Important ESG Policies" on pages 122 to 123 of this Report). The Group has developed and published the *ESG Policy*, which defines the core principles and objectives in environmental and social aspects, providing clear guidance for daily operations. To further enhance the standard of environmental management, the Group revised and published the *Ecological and Environmental Protection Management System* in 2021. This system establishes detailed regulations covering the organisational structure and responsibilities for environmental management, environmental protection for new construction, renovation, and expansion projects, as well as operational projects. It also addresses wastewater and rainwater management, exhaust gas management, solid waste management, noise management, environmental information management, environmental risk management, environmental protection ledger management, and related inspections and assessments. The document is highly systematic, comprehensive, and practical, playing a crucial role in strengthening the Group's environmental management system and improving overall environmental performance.

In 2024, **No** material incidents involving violation of environmental laws and regulations occurred.

The Group is also actively promoting project companies to obtain international/national management system certifications. Currently, 12 project companies have successfully obtained the ISO 14001 or GB/T 24001 environmental management system certification, with one of them also obtained the GB/T 23331 energy management system certification.

Enhancing Routine Management

In routine management, the Group places great importance on pollution discharge permits, the management of environmental facilities, and the quality control of eco-friendly consumables. We require each project company to strictly comply with the regulations outlined in the pollution discharge permits issued by the State, conduct self-monitoring, and maintain accurate and complete environmental protection records. Each project company must also establish and improve operational procedures for environmental facilities, maintain operational logs for such facilities, inspect the operation of environmental equipment and facilities, and ensure stringent quality control of consumables used in environmental facilities.

In the meantime, the Group has clear requirements for environmental education, training, and emergency management. Each project company is required to develop environmental education and training plans, conduct relevant training sessions, and maintain proper training records. Emergency response plans for environmental incidents must be prepared in accordance with regulations, filed with the competent environmental authorities and relevant departments, and implemented through regular drills. Comprehensive and specialised emergency drills must be conducted at least once per year, while on-site emergency response drills must be carried out at least twice annually.

[10] Incidents are classified into different levels according to the *Safety Accidents and Environmental Incident Management Regulations* published by CEEGL.

Environmental Risk and Information Management

The Group fully upholds the responsibility for environmental protection by comprehensively managing environmental pollution risks related to air quality, solid waste disposal, water bodies, and fugitive emissions, while ensuring the stable operation of projects.

In terms of environmental information management, the Group formulates and publishes annual environmental self-monitoring plans in strict compliance with national standards and regulations, in addition to the requirements for environmental impact assessments and pollution discharge permits for construction projects. We engage qualified third-party professional monitoring institutions to conduct on-site monitoring in accordance with the annual monitoring plan. Automated monitoring equipment for air pollutants and wastewater discharge is connected to the monitoring systems of relevant ecological and environmental authorities. This ensures the proper operation of monitoring equipment and the lawful disclosure of emission data.

Furthermore, the Group respects the right of Indigenous Peoples and other stakeholders to information by disclosing environmental performance actively on the Everbright Greentech website or other designated local platforms. Additionally, we open our environmental protection facilities to the public for environmental awareness campaigns and education, while proactively accept public supervision.

2024 Public Environmental Education Activities

Number of public events in Mainland China
157

Number of visitors
3,748

▲ Environmental Education for Local Primary School Students at Weihai Biomass Project

▲ Sludge-Drying Workshop Site Visit by Wuxi University Delegation at Wuxi Environmental Technology Company

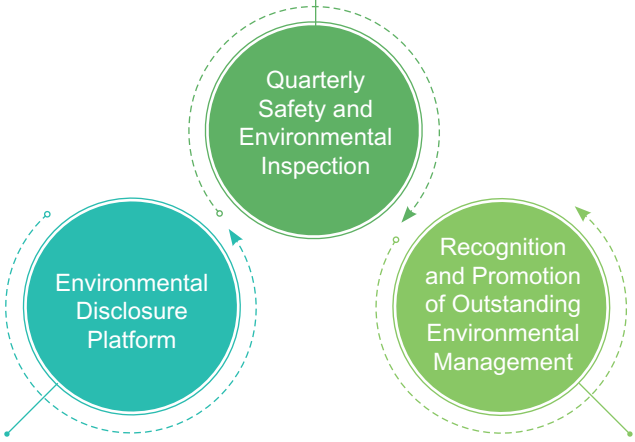
▲ "Travelling with Waste" theme activity at Zhongjiang Integrated Biomass Utilisation Project

▲ Site Visit by Gutian County Ecological Environment Bureau and County CPPCC members at Gutian Waste-to-Energy Project

Environmental Management Inspection

The Group supervises, inspects, evaluates, and assesses the environmental protection efforts of our projects by establishing a comprehensive environmental management module, ensuring the efficient implementation of environmental management work.

The Safety and Environmental Management Department conducts comprehensive safety and environmental inspections on a quarterly basis, focusing on the establishment of environmental management systems, organisational structures and the fulfilment of assigned responsibilities, daily management practices, environmental risk and information management, as well as hazard identification with project companies. Inspections are followed by scoring and evaluation based on the assessment criteria outlined in the management module. If issues are identified during the inspection, points are deducted, and rectification recommendations and measures are proposed. Upon completion of the inspection, a summary report is prepared, and the inspection outcomes play a decisive role in the appraisal and evaluation of annual work performance.



The Group has developed an internal environmental information disclosure platform that records and updates environmental monitoring data, alerts, and tagging information in real-time. The platform also stores monthly environmental reports for each project, enabling management departments to access and supervise the data anytime. By utilising this digital management and monitoring platform, we ensure the transparency of environmental information while enhancing the efficiency of our environmental management processes.

Project companies with exceptional performance in safety and environmental management are strongly recommended for inclusion in CEEGL's showcase projects and outstanding case selections. Their best practices are shared and promoted to inspire other project companies to dedicate more time and effort to safety and environmental initiatives, driving continuous improvements in the overall standards of the Group's safety and environmental management.

Promoting Pollution and Carbon Reduction

Reducing Pollutant Emissions

Ultra-low Emission Transformation

In addition to complying with national environmental laws and standards, the Group has made significant investments to ensure our projects meet stricter regional emission standards and mitigate compliance risks. The Group actively undertakes ultra-low emission upgrades at its biomass and waste-to-energy projects, further reducing the emission concentrations of air pollutants such as particulate matter, nitrogen oxides, and sulphur dioxide, contributing to improved air quality in the regions where the projects operate.

More than RMB **90.72** million has been invested in **14** ultra-low emission projects

Solid Waste Management

Solid waste generated during the Group's operations primarily originates from the integrated biomass utilisation business and the hazardous and solid waste treatment business. Specifically, this includes: fly ash and bottom ash (both non-hazardous) from biomass projects; fly ash (hazardous) and bottom ash (non-hazardous) from household and general industrial solid waste projects; fly ash and bottom ash (both hazardous) from hazardous waste treatment projects; and sludge (hazardous or non-hazardous) from sewage treatment facilities at project sites, among others. For more detailed information on waste types and volumes, please refer to "Appendix 3: KPI Overview" on pages 128 to 129 of this Report.

In terms of disposal, hazardous waste is transferred to qualified third-party entities for safe landfill disposal, while the majority of non-hazardous waste is recycled. The Group has established an industrial solid waste management ledger to record detailed information such as the types, quantities, storage, utilisation, transfer, and disposal of industrial solid waste. This ensures traceability and facilitates efficient enquiries regarding waste management.

Our disposal of hazardous and non-hazardous waste generated during operations is guided by three fundamental principles:

Recycling: Prioritising the integrated utilisation of solid waste by adopting internal measures to transform waste into valuable resources, or outsourcing treatment to third parties as valuable materials.

Reduction: Promoting clean production practices to minimise waste generation, or implementing internal measures to reduce the volume of waste requiring disposal.

Safe Disposal: Establishing standardised temporary storage facilities for solid and hazardous waste to ensure solid waste does not cause environmental pollution.

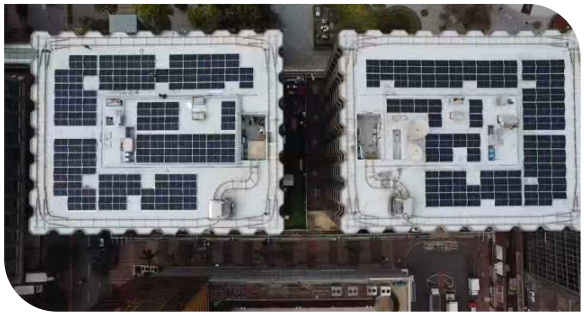
The Group's projects have established a comprehensive system for managing environmental pollution prevention and control across the entire lifecycle of solid waste, including generation, collection, storage, transportation, utilisation, and disposal. We actively implement measures to reduce solid waste generation and prevent environmental pollution caused by industrial solid waste, while continuously exploring new channels for solid waste recycling. For further details on the Group's solid waste recycling initiatives, please refer to pages 61 to 65 of this chapter.

Low-carbon Operation and Business Innovation

Low-carbon Project Construction

The construction of solar energy projects, as a form of zero-carbon energy, is one of the means with which the Group contributes to China's effort to achieve carbon neutrality and advance low carbon emissions. In recent years, the Group has focused on the field of new energy, continuously expanding footprint in the zero-carbon energy business. By the end of 2024, the Group has a total of 30 solar energy generation projects and 4 zero-carbon industrial park projects (which include solar project construction), with a total installed capacity of approximately 196.853 MW[11].

In response to the goal of "increasing local renewable energy generation capacity" outlined in Hong Kong's *Climate Action Plan 2050* and China's "Dual Carbon" Strategy, the Group is actively promoting the development of solar energy projects in Hong Kong. Currently, Everbright Kellon Green Energy Ltd., operates 13 solar energy projects in Hong Kong, with a total installed capacity of 3.6 MW and an annual electricity generation of approximately 3.6 million kWh[12], which is equivalent to the carbon absorption capacity of approximately 99,000 trees[13]. The electricity generated by these projects is supplied to the local grid through the Feed-in Tariff (FiT) Scheme, indirectly supporting local enterprises in achieving their carbon neutrality commitments.



▲ The rooftop solar energy facilities at the South Seas Centre in Tsim Sha Tsui, Kowloon, commenced grid-connected power generation in February 2024. It has a designed installed capacity of 194 kW and is the Group's 13th solar energy project in Hong Kong.

▲ The rooftop solar energy facilities at the Everbright Sucheng Development Zone commenced grid-connected power generation in October 2024. It has a designed installed capacity of 40 MW, making it the Group's largest solar energy project by installed capacity.

The Group has installed distributed solar energy stations at several project sites, enabling self-consumption of generated electricity while feeding surplus power into the grid. This initiative transforms idle rooftops into sustainable production lines, reducing electricity costs and increasing the proportion of green energy for both the projects and the local community. As of the end of 2024, solar energy projects at 5 factory sites have commenced operation, with another project currently in preparation.

Wenling Solid Waste Treatment Project has constructed solar energy facilities at locations such as rooftops of the plant buildings, accident pools, preliminary rainwater captures with an installed area of approximately 12,000 m^2, and an aggregate installed capacity of approximately 1.6 MW.

Xinyi Solid Waste Treatment Project has constructed solar energy facilities at locations such as building rooftops at the landfill and pool surfaces with a total installed area of approximately 2,162 m^2, and an aggregate installed capacity of approximately 0.2 MW. Xinyi Hazardous Waste Treatment Project has also constructed solar energy facilities at locations such as building rooftops in the plant area and pool surfaces with a total installed area of approximately 9,218 m^2 and an aggregate installed capacity of approximately 0.91 MW.

Linshu Hazardous Waste Incineration Project utilises the existing building space of the plant site to install solar energy facilities at the common engineering building, integrated pump chamber, mechanical repair workshop and laboratory, respectively, occupying an area of approximately 2,000 m^2 and providing installed capacity of 0.4 MW.

11 Excluding the distributed solar energy facilities in plant sites.

12 According to contractual agreements, the carbon emission reductions from Hong Kong's solar energy projects are not included in the Group's emission reduction calculations.

13 The environmental benefits are calculated based on the 2023 carbon intensity of local electricity sales from CLP Power (0.39 kg CO_2/kWh) and HK Electric (0.66 kg CO_2/kWh), assuming that each tree absorbs 23.4 kg of CO_2 annually.

Low-carbon Business Innovation

Underpinned by strong efforts in low-carbon business innovation in close tandem with the trends in low-carbon development, the Group has achieved initial results in certain new directions for development.

◀ *Received the certificate of recognition from the "BOC Hong Kong Corporate Environmental Leadership Award" for the sixth time*

Green Milestone: Solid Progress in Green Certificate Trading

In response to global climate change and resource-related environmental challenges, the Group recognises the critical role of energy transition in advancing global emissions reduction and actively engages in the shift toward low-carbon energy. In 2024, the Group expanded its presence in the green electricity trading market, successfully completing multiple transactions of green electricity certificates ("green certificates") on the China Green Electricity Certificate Trading Platform for the Huaiyuan Waste-to-Energy Project (Phase II), the Suqian General Industrial Solid Waste Project, and the Fengxian Solar Energy Project. These transactions amounted to a total of 24,604,000 kWh of green electricity, equivalent to 24,604 green certificates. Green certificates are electronic certificates issued by the state for renewable energy fed into the grid, serving as official proof of renewable energy consumption by enterprises. Through green electricity trading, the Group not only generates additional revenue but also plays a significant role in reducing local carbon emissions and supporting the achievement of carbon reduction targets.

Completion of the First Power Transaction: A New Chapter in Electricity Trading

As China's electricity system reform deepens, the electricity market is gradually transitioning to a fully market-oriented system, enabling more diverse entities to participate in power trading. Everbright Greentech, driven by innovation as its core strategy, has proactively positioned itself in light asset businesses, seizing opportunities brought by electricity system reform and actively advancing new ventures, including electricity trading, virtual power plants, and zero-carbon industrial parks.

By the end of 2024, EB Greentech Technology Services (Jiangsu) Co., Ltd. successfully completed its first electricity transaction across Jiangsu, Shandong, and Anhui provinces. This transaction involved over 100 electricity consumers and 3 power production and supply units, marking Everbright Greentech's official entry into the electricity trading industry and achieving a historic "zero-to-one breakthrough". Looking ahead, the Group will continue to play an active role in the national energy transition as an electricity trading enterprise. By guiding users to adopt low-carbon and zero-carbon energy solutions, we aim to effectively reduce greenhouse gas emissions and contribute to achieving the nation's goals of carbon peaking and carbon neutrality.

Over the past year, the Group has made notable progress in advancing the development of the zero-carbon industrial park energy and carbon management platform, as well as the virtual power plant trading platform. The zero-carbon industrial park energy and carbon management platform leverages digital technologies to efficiently manage and monitor corporate energy consumption. Its functionalities include the collection, monitoring, analysis, and optimisation of energy data, as well as carbon inventory and reporting. Through this platform, users can achieve real-time energy consumption monitoring, perform data analysis, optimise energy efficiency, and manage carbon footprint analysis and reduction efforts, thereby supporting the park's transformation towards the goal of becoming a zero-carbon factory. At the same time, the virtual power plant trading platform integrates solar energy generation with energy storage systems, utilising Internet of Things (IoT) technology to enable the virtual integration of electricity. This approach maximises the utilisation of generated green energy while enhancing economic returns. Building on these developments, the Group continues to steadily expand its portfolio of new business initiatives in zero-carbon industrial parks.

Jiangsu Lianshui King's Luck Zero-Carbon Smart Park Project (Under Construction)

The project comprises 5 key components: solar energy generation, energy storage, charging stations, a carbon management platform, and a virtual power plant trading platform. Specifically, the solar energy generation system is designed with a total capacity of 25 MW, of which 20 MW is planned for development in this initial phase, utilising a "self-consumption with surplus electricity fed back to the grid" approach. The energy storage system is set to have a capacity of 10 MW/20 MWh, while the charging stations are specified to deliver a charging power capacity of 2,050 kW.

Artistic Impression

Changzhou Zero-Carbon Smart Park Project (Under Construction)

Situated in the Xinzha Technology Industrial Park within the Zhonglou District of Changzhou, this project strategically leverages existing rooftops to establish a solar energy station with a total capacity of 5.34 MW. It also encompasses the installation of centralised energy storage facilities with a capacity of 2.5 MW/5 MWh. Furthermore, the project will feature 10 new energy charging stations, complemented by 20 designated parking spaces for new energy vehicles, while reserving capacity for 2 additional charging stations for buses.

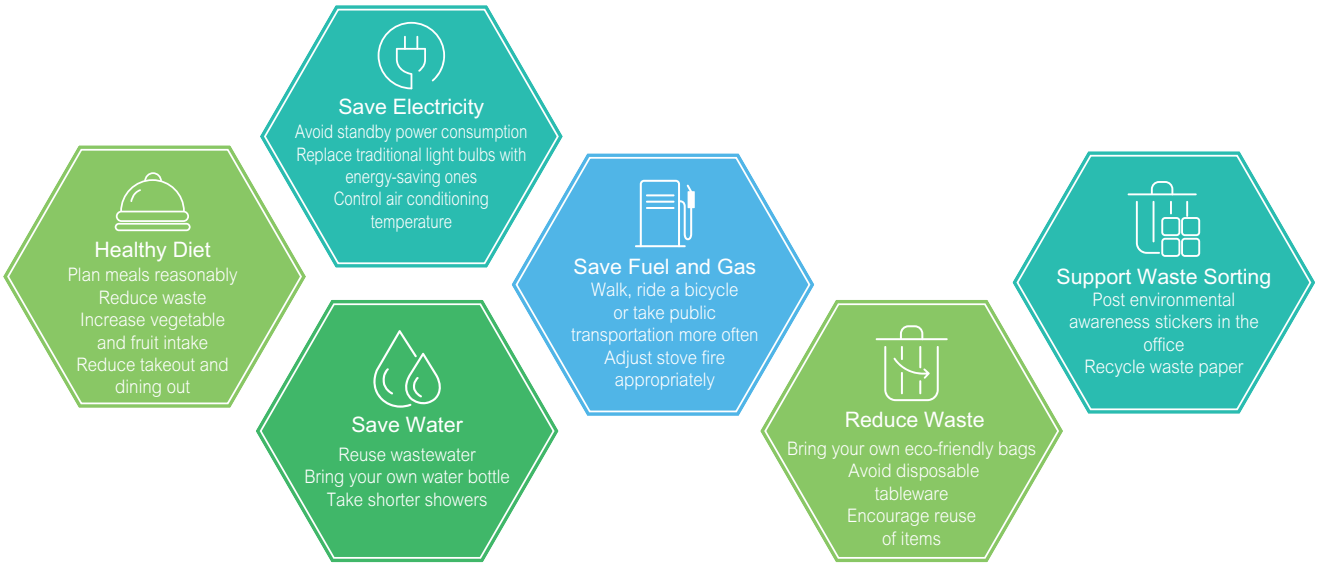
Artistic Impression

This project is the first zero-carbon industrial park project in Changzhou to obtain PAS 2060 carbon neutrality certification. The Group has enhanced energy efficiency and carbon emission monitoring at the park and enterprise levels by optimising the energy structure within the facility, integrating energy storage units, and leveraging adjustable loads. This initiative serves as a green demonstration project, playing a significant role in upgrading outdated equipment in traditional industries and driving regional energy transition and modernisation. At the same time, the Group has further refined and upgraded its existing zero-carbon industrial park model, developing a framework where zero-carbon certification drives the construction of zero-carbon industrial parks.

In the realm of technological innovation, the Group is committed to enhancing research and development investments, with a focus on advancing technologies related to energy conservation, carbon reduction, and emissions mitigation. For more detailed information, please refer to the "Technological Development" section on pages 86 to 93 of this Report.

Low-carbon Life Initiatives

The Group also actively promotes *CEEGL's Low-carbon Life Initiatives* among all employees, inspiring them to adopt low-carbon lifestyles, reduce carbon emissions, and collectively contribute to environmental protection.

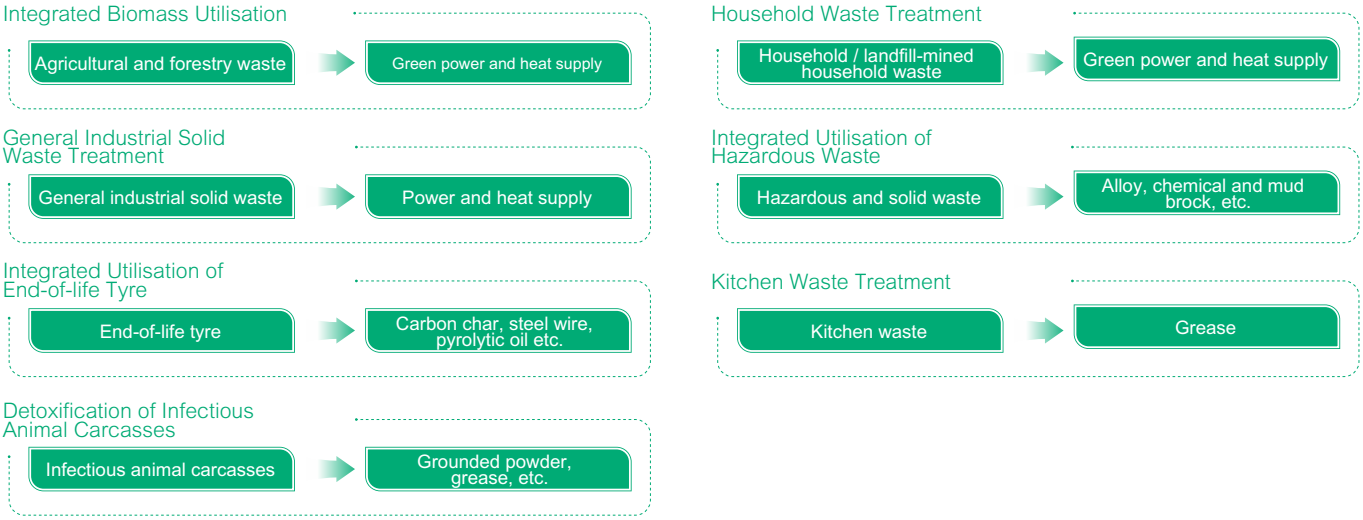


Driving Circular Economy

In 2021, the National Development and Reform Commission (NDRC) released the *14th Five-Year Plan for the Development of Circular Economy*, which set forth ambitious goals for 2025. These include the full implementation of circular production methods, significant enhancement of resource utilisation capabilities, the establishment of a resource-recycling industrial system, substantial improvements in resource efficiency, increased substitution of raw resources with regenerated ones, and a strengthened role of the circular economy in safeguarding resource security. Similarly, in January 2022, seven departments led by the NDRC issued the *Guiding Opinion on Accelerating the Construction of a Recycling System for Waste Materials*. The document emphasised the need to further improve the policy framework and system for recycling waste and obsolete materials, as well as to enhance the overall level of resource recycling by 2025.

Improving Resource Utilisation

In terms of improving resource utilisation, the Group's operations have extended across multiple sectors, including:



Our other approaches include

- Enhancing the Added Value of Byproducts
- Resource Utilisation of Hazardous and Solid Waste
- "Sustainable Landfill" Model

Enhancing the Added Value of Byproducts

To accelerate the recycling of biomass ash and enhance the added value of project by-products, the Group has been actively conducting feasibility studies on using biomass ash in the production of active micro-powder, aerated concrete, construction plates, permeable concrete, steam-cured bricks, and other building materials. Research findings indicate that, by adjusting the proportion of ash mix, biomass ash from the majority of the Group's projects can be utilised in the manufacturing of a wide range of construction materials.

The Group is also actively promoting the research and implementation of technologies for ash-based construction materials. Currently, the Zhangjiagang Ash Recycling Project is under construction. Designed capacity of 50,000 tonnes of ash annually, the project is expected to be completed by 2025 and will serve as a model for effective biomass ash recycling.

Baking-Free Bricks with Biomass Ash

Baking-free brick is an innovative wall material that aligns with China's general directive for the development of construction materials: "protecting farmland, conserving energy, adapting to local conditions, and sourcing materials locally". Compared to conventional wall materials, baking-free brick is cleaner, more eco-friendly, and has a broad range of applications. In recent years, its market demand has steadily increased. Research has shown that the baking-free bricks produced by the Group's projects meet the standards of the construction industry. These bricks offer significant advantages, including a high utilisation rate of solid waste and the conservation of valuable land resources.

Cement Stabilisation Materials with Biomass Ash

The cement-stabilised gravel layer is one of the key components of high-grade roadbases. It is produced by combining gravel with a cement consolidation agent in specific proportions, which is then compacted under pressure to enhance the strength and durability of the road's base layers. According to research, testing, and validation conducted by the Group's Technology Research Institute, biomass ash can be utilised to manufacture cement-stabilised materials that meet the requirements for base and sub-base layers of roads with heavy traffic grades or below. This innovation not only aligns with the current transformation needs for utilising biomass ash in construction materials but also effectively mitigates the risks associated with ash accumulation and the environmental hazards posed by biomass projects. By turning waste into value-added products, this approach maximises the utilisation of biomass ash and contributes to sustainable development.

Aerated Concrete with Biomass Ash

Following completion of small-scale trial production, medium-scale trial production, large-volume production and test of product properties, the production of aerated plates (aerated bricks/aerated boards) using incinerated biomass ash is now being promoted and implemented at a number of biomass projects. According to research, biomass ash can potentially replace more than 50% of traditional raw materials. Aerated plate is an energy-saving construction material offering sound thermal insulation properties. The development of aerated concrete as a green construction material is in line with our sustainability strategy with positive significance for environmental protection and the conservation of land resources.

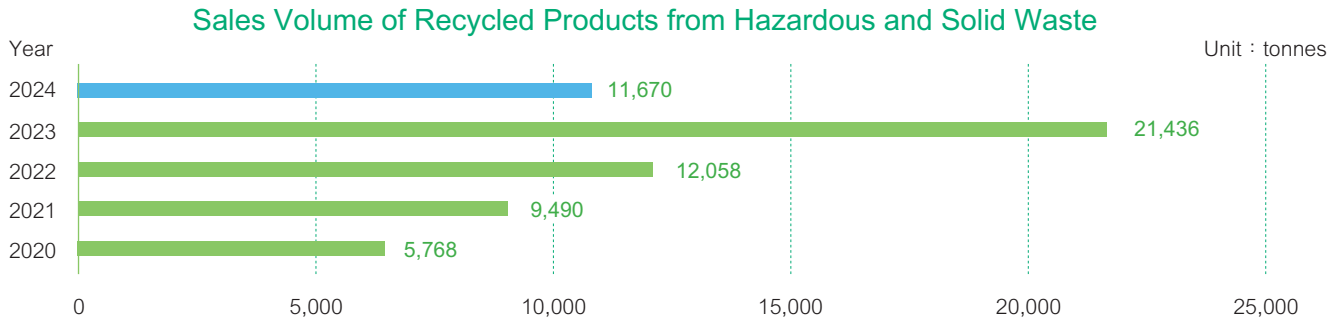
In 2024, the integrated utilisation of ash reached a total of **3,036,804** tonnes. The utilisation methods included the production of organic fertiliser, construction materials, and road base materials.

Resources Recycling of Hazardous and Solid Waste

Our hazardous and solid waste treatment business has facilitated not only waste reduction and detoxification, but also the value-added conversion of hazardous and solid waste by recycling metal and other substances in such hazardous and solid waste. The Group has developed a new business opportunity in resource recycling.

EB Greentech Technology (Wuxi) Limited ("Wuxi Technology") is dedicated to the integrated regeneration disposal and hazard-free treatment of printed circuit board (PCB) solid waste (a type of electronic waste) in the Yangtze River Delta region. Wuxi Technology has an annual processing and utilising capacity of 10,000 tonnes of waste liquid from tin removal, 31,000 tonnes of sludge with copper content, 17,000 tonnes of waste liquid with copper contents, 10,000 tonnes of waste acid and 3,000 tonnes of nickel-containing sludge, while Kunshan Zhonghuan Limited under Wuxi Technology has an annual capacity for the disposal of 18,100 tonnes of etching waste liquid containing copper contents and 3,000 tonnes of waste liquid from tin removal. Recycled products derived from these projects include copper sulphate, copper hydroxide, new etching liquid, tin hydroxide, regenerated tin stripping liquid, and mud bricks, among others.

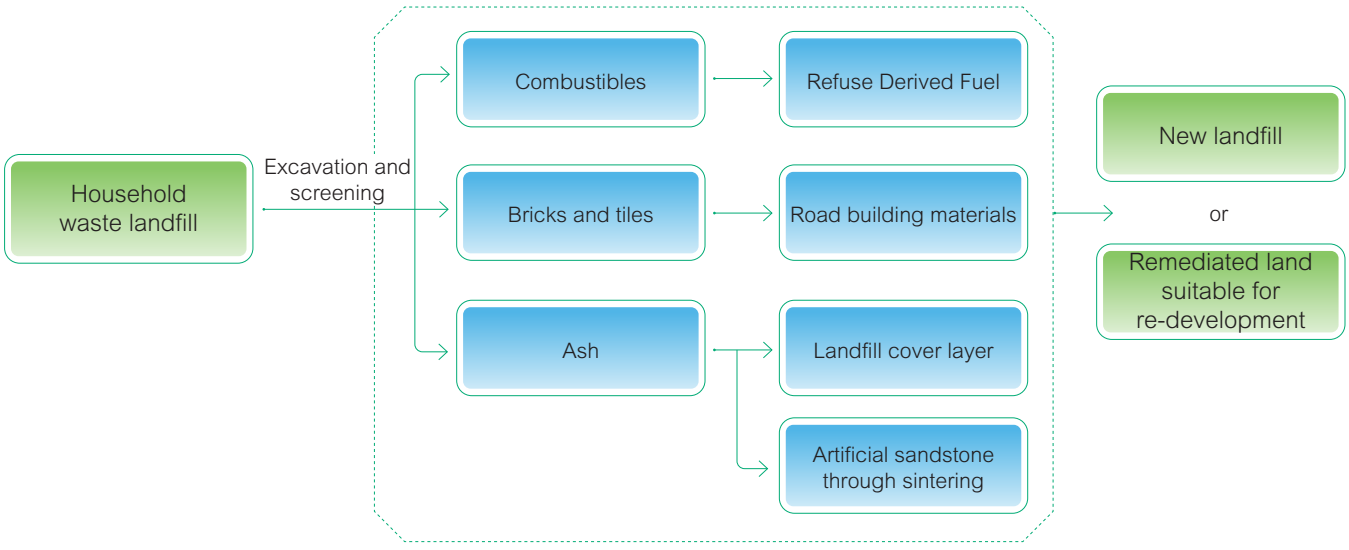
Huangshi Solid Waste Recycling Project fully addresses the demand of the electronic information industry in Huangshi for waste treatment with annual integrated utilisation capacity of approximately 80,000 tonnes of PCB waste solution, including copper waste solution, tin-stripped waste solution and nickel-containing waste solution, among others. The project employs advanced manufacturing processes and manufactures products such as alkaline copper chloride, steel hydroxide, copper oxide, copper sulphate, tin mud, sodium stannate, nickel carbonate and nickel sulphate based on market requirements to facilitate efficient recycle and reuse of metal resources.



"Sustainable Landfill" Model

The Group is actively exploring the integrated treatment of garbage landfills, aiming to transform them into resource mines. By closely integrating the detoxification, reduction, and resource utilisation of waste, the Group seeks to establish a model of "sustainable landfill", which represents a new business development opportunity.

Sustainable landfill enables the reutilisation of landfill sites and mined waste from landfills. During the process of extracting and screening landfill-mined waste, the Group develops methods to maximise its utilisation. The land reclaimed through landfill-mined waste extraction can be reused for the disposal of fresh waste, allowing landfills to operate cyclically. This process not only generates additional revenue, increases landfill capacity, and extends the lifespan of existing sites, but also improves anti-seepage layers, removes hazardous waste, and reduces post-closure maintenance and supervision costs. These efforts are highly significant for conserving land resources and reducing investments in landfill construction.



Keeping Pace with Circular Economy Developments

Business Model Transition

The Group's principal businesses include integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation, as well as solar energy and wind power generation. These businesses are distinctly characterised by resource conservation, recycling, and environmental harmony, aligning closely with the core principles of the circular economy. To further align with the nation's strategy for developing a circular economy, the Group has expanded its hazardous and solid waste treatment operations to include general industrial solid waste, end-of-life tyre treatment, and resource recycling of heavy metal waste. These efforts aim to transform the Group into a leading industrial environmental service provider.

General Industrial Solid Waste

Development of incineration and treatment processes for general industrial solid waste tailored to China's specific conditions, providing electricity and steam to project locations and surrounding areas.

End-of-life Tyre Treatment

Using pyrolysis technology to process end-of-life tyres and produce recycled carbon char. From one tonne of tyres, 12% can be recovered as premium steel, 12% as combustible gas, 40% as petroleum, and 36% as carbon char.

Heavy Metal Waste Recycling

Extraction of valuable metals such as nickel and copper from hazardous waste to produce copper sulphate and nickel alloy for sale.

The integrated utilisation of end-of-life tyres aligns with the principles and requirements of the circular economy, as well as the direction of relevant national industrial support policies. We are actively exploring and identifying the potential value of end-of-life tyre utilisation:

Production of renewable rubber from end-of-life tyres of heavy-duty vehicles

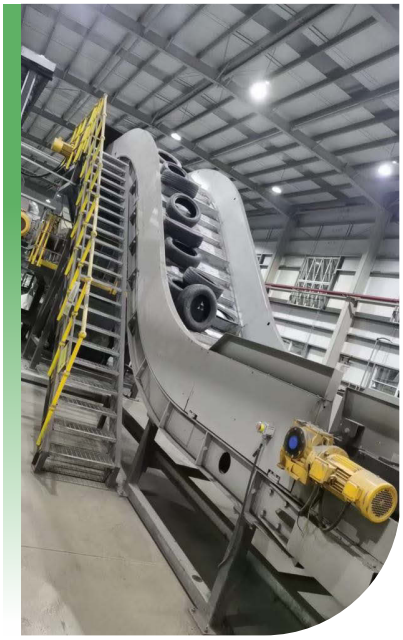
Production of renewable rubber from end-of-life tyres of heavy-duty vehicles can make up for the insufficient supply of rubber

Production of fuel oil, carbon char and steel wire from sedan car tyres and small tyres through pyrolysis

Major products derived from pyrolysis of sedan car end-of-life tyres and small tyres include fuel oil, carbon char and steel wire

High value-added products manufactured from renewable rubber

Manufacturing of high value-added products such as highway crash barriers



The Group has constructed an integrated end-of-life tyre utilisation project in the Changleshan Circular Economy Industrial Park in Xialu District, Huangshi. Occupying a site of 195 mu with an investment amount of approximately RMB 350 million, the project has a processing designed capacity of 100,000 tonnes of end-of-life tyre per annum. The project applies the process techniques of "pre-processing, rotary pyrolysis, recycled tyre pyrolysis oil, noncondensing gas and carbon char" with the adoption of micro-negative pressure low-temperature pyrolysis technology which controls the thermal pyrolysis temperature in the reactor to within 430°C. The project mainly produces steel wire, pyrolysis oil and carbon char.

In December 2024, EB Greentech Renewable Material (Huangshi) Limited obtained dual certifications—ISCC EU and ISCC PLUS—under the International Sustainability and Carbon Certification (ISCC) framework for its end-of-life tyre recycling and pyrolysis oil projects. These certifications demonstrate the project's compliance with stringent international standards for sustainability, traceability, and verifiability. This milestone will further drive the Group's growth in the end-of-life tyre recycling and pyrolysis oil sectors, while laying a solid foundation for future participation in the global biofuels supply chain.

NSF

Certificate

according to the
Renewable Energy Directive (RED II)
(Directive (EU) 2018/2001 on the promotion of the use of energy from renewable sources (recast))

Certificate Number: EU-ISCC-Cert-US216-20241102

NSF International
Dixboro Road 789 N., 48105, Ann Arbor, MI, United States
certifies that

EB Greentech Renewable Material (Huangshi) Limited
Zhongshan street 99, Huangshi, China

complies with the requirements of the certification system
ISCC EU
(International Sustainability and Carbon Certification)
and the requirements of the RED II.

Place of the audit
(if different from the legal address of the system user as stated above; only applicable for traders and traders with storage)
n.a.

This certificate is valid from 28.11.2024 to 27.11.2025.

The site of the system user is certified as:
Collecting Point
Processing Unit
Trader

Ann Arbor, MI, 24.11.2024
Place and date of issue

Stamp, Signature of issuing party

The issuing Certification Body is responsible for the accuracy of this document.
Version / Date: 1 / 24.11.2024

Page 1 of 2

NSF

ISCC PLUS Certificate

Certificate Number: ISCC-PLUS-Cert-US216-20241103

NSF International
Dixboro Road 789 N., 48105, Ann Arbor, MI, United States
certifies that

EB Greentech Renewable Material (Huangshi) Limited
Zhongshan street 99, Huangshi, China

complies with the requirements of the certification system
ISCC PLUS
(International Sustainability and Carbon Certification)

Place of the audit
(if different from the legal address of the system user as stated above; only applicable for traders and traders with storage)
n.a.

This certificate is valid from 28.11.2024 to 27.11.2025.

The site of the system user is certified as:
Collecting Point
Processing Unit
Trader

The scope of the certificate includes the following chain of custody options:
(not applicable for paper traders)
Mass Balance

Ann Arbor, MI, 24.11.2024
Place and date of issue

Stamp, Signature of issuing party

The issuing Certification Body is responsible for the accuracy of this document.
Version / Date: 1 / 24.11.2024

Page 1 of 2

Basic Requirements for ISCC Certification:

- Protect land with high biodiversity value or large carbon sink
- Protect soil, water, and air through environmentally responsible operations
- Safe working conditions
- Comply with human rights and labour rights, and establish responsible community relationships
- Comply with land rights, laws, and international treaties
- Implement good management practices and continuous improvement

ISCC Certification Ensures:

- Sustainability in raw material production
- Traceability of sustainable materials throughout the supply chain
- Verified greenhouse gas emission reductions

Xiaoxian General Industrial Solid Waste Project is located in Xiaoxian Economic Development Zone, Suzhou, Anhui Province with a designed daily capacity of 800 tonnes for general industrial solid waste treatment. It was designed to be constructed in two phases. The first phase with a capacity of 400 tonnes per day was completed and commissioned in February 2023, handling approximately 140,000 tonnes of general industrial solid waste through incineration each year and supplying approximately 60 million kWh of electricity and approximately 640,000 tonnes of heat annually.

Energy Management

The Group has implemented the *Energy Management Policy* to require the formulation of energy utilisation strategies by management employees of project companies, in order to achieve maximum energy utilisation and explore innovative pathways for multiple energy uses. For example, in our *Energy Management Policy*, we pledge to drive the standardisation of energy management and diversification of integrated utilisation.

01 Full compliance with local laws and regulations applicable to energy utilisation

02 Ensuring control and management of integrated energy utilisation in a responsible manner

03 Continuously enhancing our energy management standard

04 Providing business training required by energy management

05 Sharing experience and knowledge in energy management with peers and the public

06 Encouraging our suppliers to attain the same level of energy management standardisation

The Group is committed to advancing the "Five Small Innovation" initiative, which aims to harness the technological innovation potential of our employees. This initiative focuses on gathering insights from management, production, and technology to optimise operational costs and reduce carbon emissions, thereby enhancing our energy management strategies. Below, we present key highlights of our energy-saving achievements:

No.	Project Company	Energy-saving Practice	Energy-saving Outcome[14]
1	EB Greentech Renewable Energy (Xiaoxian) Limited	Recycled the cooling water from the grate back to the condensate tank, eliminating the need for the cooling tower fan and achieving significant energy savings and emission reductions.	Approximately 24,000 kWh of electricity can be saved each month, which is equivalent to a monthly saving of 2,950 kg of standard coal
2	EB Urban and Rural Renewable Energy (Xiaoxian) Limited	Optimised the waste unit's circulating water system by connecting the outlet main pipes during winter, allowing 3 pumps to operate instead of 6, effectively reducing auxiliary power consumption.	Approximately 47,000 kWh of electricity can be saved each month, which is equivalent to a monthly saving of 5,780 kg of standard coal
3	EB Greentech Cogeneration (Suqian) Limited	Converted the crushing grab machine into a hybrid vehicle that operates on both oil and electricity, improving energy efficiency.	Approximately 1,670 litres of diesel can be saved each month, which is equivalent to a monthly saving of 2,120 kg of standard coal
4	EB Greentech Hazardous Waste Treatment (Linshu) Limited	Established an energy management system to monitor energy parameters, identify energy-saving opportunities, and refine management practices for equipment retrofitting and operational efficiency. Specific measures include dynamic and differentiated management of material crushing, installation of a new rooftop solar energy generation system, optimising pumps by replacing larger ones with smaller ones, optimising the feeding mode to reduce unnecessary power consumption, and implementing dynamic management of the deodorisation system operation.	Approximately 75,800 kWh of electricity can be saved each month, which is equivalent to a monthly saving of 9,320 kg of standard coal
5	EB Greentech Solid Waste Treatment (Xinyi) Limited	Utilised steam heat exchangers to heat primary and secondary air, increasing air temperature to over 150°C, which can reduce supplementary fuel costs and minimises steam waste.	Approximately 65 tonnes of fuel oil can be saved each month, which is equivalent to a monthly saving of 92,860 kg of standard coal
6	EB Greentech Solid Waste Treatment (Huangshi) Limited	Improved the design of the active water seal plate for the slag removal machine, allowing flexible liquid level control by adjusting the sealing plate height. This prevents blockages, enhances operational stability, and reduces energy consumption.	Approximately 6,000 m^3 of natural gas can be saved each month, which is equivalent to a monthly saving of 7,980 kg of standard coal
7	EB Urban and Rural Renewable Energy (Xiayi) Limited	Recirculated leachate into the furnace during summer to minimise fuel consumption from transportation during summer; reintroduced leachate into the waste storage area to enhance fermentation quality and reduce reliance on auxiliary fuel oil during winter.	Approximately 586 tonnes of diesel can be saved each month, which is equivalent to a monthly saving of 853,860 kg of standard coal
		Optimised the ash discharge equipment by modifying the distributed control system (DCS) logic to intermittently start and stop components, such as the ash discharge valve and scraper conveyor. This ensures normal ash discharge while saving electricity within the facility.	Approximately 100,400 kWh of electricity can be saved each month, which is equivalent to a monthly saving of 12,340 kg of standard coal

[14] The data represents a comparison of the monthly average consumption figures for 2024 after technological upgrades or management improvements with the monthly average consumption figures for 2023.

At the same time, our environmental protection projects have implemented targeted measures, tailored to their individual operating conditions and local circumstances, to reduce total energy consumption, optimise the energy mix, and reduce greenhouse gas emissions:

Integrated Biomass Utilisation Projects

- Reduce downtime in biomass and waste-to-energy projects to minimise fuel and electricity consumption during startup and shutdown while decreasing reliance on externally purchased electricity
- Optimise management of the waste silo for waste-to-energy power generation, increasing the calorific value of fuel intake to reduce consumption of fossil fuel in combustion
- Increase the localisation rate of fuel in regions with favourable conditions to reduce fossil fuel consumption associated with biomass fuel transportation
- Optimise fume purification technique to reduce energy consumption
- Optimise and introducing conversion to devices such as the air compressor and the Selective Non-catalytic Reduction (SNCR) spray gun as well as the design of household waste incineration ash chelating equipment to reduce energy consumption
- Make full use of heat sources of the plant site to utilise residual heat from boilers to provide thermal insulation for the waste silo and supply to the heat generation and exchange station in winter, among others

Hazardous and Solid Waste Treatment Projects

- Conduct intelligent power source conversion at plant sites to facilitate reasonable energy allocation
- Conduct multiple power charge and discharge on the back of smart energy storage projects to reduce power consumption
- Construct distributed solar energy facilities at the plant sites to optimise the energy mix
- Aggregate input of materials during production to reduce the frequency of starting up and turning off the boiler to reduce power and fuel consumption
- Conduct upgrades of equipment and process techniques and employing frequency conversion devices to conserve energy
- Optimise production process techniques and adjusting batching schemes to reduce charcoal consumption

Environmental Remediation Projects

- Installation of solar lamps at the restored sites
- Rent movable container units to reduce power-consuming units and facilities

Energy Management Case Study

EB Urban and Rural Renewable Energy (Zhongxiang) Limited has taken a multi-faceted approach to strengthen energy management from the perspective of optimising production. This has resulted in significant cost reductions and improved efficiency.

Energy-saving measures

- The steam blow-off and condensate recovery from Unit 1 has been modified to supply the biomass heating main pipe, utilising condensate steam at a temperature of ≥150°C to provide heat for the biomass heating network
- An additional pathway has been added to the condensate discharge of Units 1 and 2, directing it to the heating and ventilation temperature-reducing and pressure-reducing device, thereby reducing the steam extraction quantity for the biomass and waste projects
- Installed frequency converters on four 11 kW high-pressure pumps in the water treatment workshop
- Optimised the fuel blending in the biomass yard, adjusting combustion conditions according to the principle of "thin material burns quickly, frequent vibration, gentle vibration" to avoid fuel pile burning
- Adjust the outlet control valve opening of the condenser on Unit 2 according to the vacuum conditions, lower the frequency of the circulating water pump motor, and reduce the electricity consumption of the circulating water pump

Energy-saving results

- Approximately 217 tonnes of steam can be recycled and reused each year, reducing energy consumption and improving resource utilisation efficiency
- The annual reduction in steam extraction for biomass and waste projects is approximately 2,040 tonnes, achieving energy savings and consumption reduction
- Approximately 13,140 kWh of electricity can be saved each year, reducing energy consumption and extending the lifespan of the membrane system
- Save 24,675 tonnes of biomass fuel annually while improving combustion efficiency
- An annual electricity saving of 127,500 kWh can be achieved, resulting in energy conservation and reduced consumption

Water Resource Management

The Group is dedicated to reducing freshwater consumption and actively promoting the adoption of reclaimed water reuse technologies. All sewage generated by the Group is either treated through municipal wastewater treatment facilities, internally treated to meet discharge standards, or managed under a zero-discharge policy. This approach aims to minimise the impact of operations on local water environments and resources. The Group has introduced the *Water Resources Management Policy*, which mandates all project companies to implement measures to control total water consumption and improve water use efficiency. In alignment with national and regional policies prioritising water conservation, the Group's operations across various regions have been actively promoting water-saving initiatives to enhance water efficiency and mitigate water resource pressures.

Our Water Conservation Measures

Recycling of sewage and rainwater	Reuse treated wastewater for dust suppression, floor cleaning, and fly ash solidification processes within plants Collect and reuse rainwater for landscaping irrigation and cooling towers
Zero-discharge project	Promote zero discharge of production wastewater in eligible projects, reduce external sewage discharge, and recycle water resources
Equipment maintenance and renovation	Optimise the processes for adding acid and chemicals in the circulating water system and renovate the deionised water system to improve water efficiency Implement comprehensive inspections and maintenance of water use equipment and pipelines to prevent runs, spills, drips and leaks Optimise water use equipment in living and office areas by installing water-saving facilities.
Public education and water conservation management	Enhance employees' water-saving awareness through bulletin boards, slogans, trainings, and other methods to create an atmosphere of water conservation participation Establish a water-saving management organisation, formulate an annual water-saving plan, delineate specific water-saving targets, and enhance oversight and evaluation processes

Water Conservation Honours Achievement

No.	Company Names	Water Conservation Honours
1	EB Greentech Biomass Energy (Suzhou) Limited	Anhui Provincial Water Conservation Enterprise
2	Everbright Biomass Energy (Huaiyuan) Limited	
3	Everbright Biomass Energy (Chuzhou) Company Limited	
4	Everbright Biomass Cogeneration (Liuan) Company Limited	
5	EB Urban and Rural Renewable Energy (Xiao County) Limited	
6	EB Greentech Biomass Energy (Guoyang) Limited[15]	
7	Everbright Biomass Energy (Hanshan) Company Limited	
8	Everbright Alternative Energy (Dangshan)Limited	
9	Everbright Environmental Energy (Lingbi) Limited	
10	EB Urban and Rural Renewable Energy (Huai'an) Limited	Jiangsu Provincial Water Conservation Enterprise
11	Everbright Biomass Energy (Lianshui) Limited	
12	Everbright Biomass Energy (Xuyi) Limited	
13	EB Urban and Rural Renewable Energy (Guanyun) Limited	
14	EB Greentech Urban and Rural Renewable Energy (Fengxian) Limited	
15	Everbright Biomass Energy (Weihai) Limited	Shandong Provincial Water Conservation Enterprise
16	Everbright Biomass Energy (Guixi) Limited[15]	Jiangxi Provincial Water-Saving Benchmark Enterprise First Water Conservation Enterprises of Yingtan
17	EB Greentech Urban and Rural Renewable Energy (Lintao) Limited[15]	Gansu Provincial Water Conservation Enterprise
18	EB Urban and Rural Renewable Energy (Sheqi) Limited	Sheqi County Water Conservation Enterprise

[15] Project companies awarded water conservation honours in 2024.

Water Conservation Case 01

EB Urban and Rural Renewable Energy (Dali) Limited has implemented a robust water-saving management system. A leadership team dedicated to establishing a "water-saving" enterprise has been formed, ensuring that water resource management is integrated into performance evaluations and a culture of water conservation is effectively instilled among all employees through effective awareness campaign. During the Reporting Period, the company conducted thorough inspections and repairs of water-use equipment and plumbing in both the office and production areas. Various methods, including excavation, welding, and replacement, were used to maintain severely corroded water supply pipes. Furthermore, all frequently used faucets were upgraded to water-efficient quick-release models, gradually implementing renovations to the water supply network to effectively prevent leaks, drips, and other issues. At the same time, in compliance with water-saving enterprise assessment standards, water meters have been installed at all usage points, successfully meeting the required measurement rates for first, second, and third-level meters. Regular maintenance and valve replacements are conducted to ensure optimal performance. As a result of these enhancements to water supply and usage infrastructure, the company has effectively controlled water loss rate.

Water Conservation Case 02

EB Greentech Urban and Rural Renewable Energy (Lintao) Limited has established a dedicated water-saving management organisation with well-defined responsibilities, creating a four-tier water-saving management network and implementing 7 specific water-saving regulations. Annually, the company develops a water-saving strategy alongside a detailed annual plan, allocating energy and water consumption targets across various departments. In addition, a water-saving leadership task force has been formed, with the General Manager designated as the primary accountable individual and chair of the task force, while the Deputy General Manager serves as the deputy leader. As a result of the effective operation of this management system, the company recorded a 6.47% reduction in water consumption per unit of product in 2024 compared to 2023. The annual industrial water reuse rate reached an impressive 98.71%, and the overall water loss rate was maintained at 0.28%. The company was also recognised as Gansu Provincial Industrial Water Conservation Enterprise

In 2024, a total of approximately **11.36** million m^3 of reclaimed water from third parties was utilised, **1.81** million m^3 of wastewater was recycled, and **38** projects achieved zero wastewater discharge in production.

Concern for Natural Capital

Nature-related Policy

Nature has always provided individuals and communities of the world with crucial and unceasing benefits. Nature represents a capital upon which the existence and development of humankind are dependent, and its significance can hardly be ignored. In recent years, the international community has become increasingly aware of the enormous loss that the human economy and society could suffer as a result of any loss in natural capital. Hence, risks related to nature have become increasingly important in sustainability risk management.

The Group recognises the critical link between biodiversity and long-term development. In 2021, we introduced a *Biodiversity Policy* to ensure that all projects under our controlling interest conduct biodiversity assessments related to their business operations. The policy also specifies targeted requirements for projects in the planning and construction phases to minimise negative impacts on the surrounding environment and biodiversity.

We recognise that businesses rely on nature to deliver economic and social benefits. At the same time, businesses have an impact on nature through their direct operations and value chain activities. Any loss of natural capital can negatively affect the capacity to provide ecosystem services, thereby influencing corporate development and the stability of global society and the economy. To actively respond to the framework recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), the Group formulated and published the *Nature-related Policy* in 2023 to raise awareness among employees at all levels about protecting nature and valuing natural capital. The policy also aims to enable the Group to identify early directions for mitigating and adapting to nature-related risks, including biodiversity loss, allowing timely review and optimisation of its development strategies. By doing so, the Group seeks to effectively avoid, minimise, mitigate, and manage nature-related risks that could disrupt operations or lead to financial losses.

To ensure that the Group's operations do not result in net deforestation or biodiversity loss, we are committed to applying appropriate mitigation frameworks. These frameworks include avoidance, minimisation, restoration, and offsetting when operating near critical habitats. Our projects have embedded the "no net loss" principle into their operational models, fostering environmental protection throughout the entire project lifecycle:

Preparation Stage

- Conduct site selection in strict accordance with the red-line regulatory rules of national and local governments for ecological protection and considering overall land use conditions in surrounding areas.
- Avoid operations in areas with high natural value, while plans should be made to curb the negative impacts on the ecological environment of the project location and comply with the deforestation-free commitment to prevent various deforestation activities
- The right of information and consent of the Indigenous Peoples, local communities and other stakeholders should be respected and the views of local residents should be sufficiently heard when conducting surveys with public participation.

Construction Stage

- Construction that might disrupt ecological reserves, such as original vegetation, wetland, hill forms and water source reserves, should be avoided.
- During construction, work should be carried out for the prevention and treatment of pollution as well as preventing soil erosion and depletion. Upon completion, landscaping and ecological restoration should be conducted at the altered areas.
- Clean production process techniques conducive to water conservation, reduction in the consumption of raw materials, energy conservation and reduction in pollution should be adopted and natural resources should be utilised in a reasonable manner to minimise impact on the environment.
- During construction, the lawful rights of the Indigenous Peoples, local communities and affected stakeholders should be protected and full communication should be maintained.

Operation Stage

- Active promotion of the use of sustainable resources and reduced use of natural resources, driving the recycled use of resources and minimising negative impact of business operation on the natural environment.
- Clean production process techniques that are conducive to water conservation, reduction in the consumption of raw materials, energy conservation and reduction in pollution should be adopted to minimise impact on the environment.
- Operational maintenance of environmental facilities and pollutant management protection should be procured, and the publication of environmental monitoring and environmental information should be rigorously enforced.
- During operation, the lawful rights of the Indigenous Peoples, local communities and affected stakeholders should be continuously protected and full communication should be maintained.

The Group is committed to integrating biodiversity conservation responsibilities into all aspects of its operations. This policy applies to all companies under the Group's operational control and encourages its adoption by affiliated and joint venture companies. We actively strengthen collaboration with suppliers and business partners, monitoring and mitigating risks related to biodiversity loss and deforestation, thereby extending our conservation efforts across the entire supply chain. To this end, we advocate for partners and suppliers to reference this policy in collaborative projects, jointly promoting biodiversity protection and the sustainable development of forest resources.

Impact on Natural Capital

The Group's operating activities help to protect the natural environment and alleviate the pressure on biodiversity brought by climate change, environmental pollution and excessive consumption of natural resources (including water resources).

- We collect and centrally manage hazardous and non-hazardous waste, effectively curbing the spread of urban and industrial pollution to soil, water bodies, and the atmosphere, thereby contributing to the health and stability of the ecological environment.
- Recycle waste and generate clean energy to reduce the burning of fossil energy, thereby avoiding GHG emissions to a certain extent;
- Our environmental remediation business undertakes soil pollution treatment, comprehensive rehabilitation of landfill sites, and aquatic ecological restoration in river basins, among other initiatives, aiming to restore damaged environments to nature-friendly conditions.

Currently, the Group has successfully accomplished 6 ecological restoration projects for municipal solid waste landfills, complemented by the effective implementation of greening initiatives. By employing integrated measures, including vegetation reconstruction and soil improvement, we have achieved a total greening area of 310,588 m^3. This effort not only markedly enhances the local ecological environment but also contributes positively to regional ecological management and the conservation of natural resources.

Guangde Household Waste Landfill Restoration and Closure Project- before and after restoration

Yingtan Household Waste Landfill Operations and Management Service Project - before and after restoration

Restoration of polluted sites at Changzhou Tianma Group and periphery - before and after restoration

Meanwhile, the Group recognises that its operations may directly or indirectly impact the local environment, including the consumption of natural resources (such as freshwater), compliant pollution discharge and greenhouse gas emissions during operations, as well as potential effects on certain biological habitats. To address these challenges, the Group has established comprehensive environmental management policies to avoid and mitigate such negative impacts.

In 2024, the Group adopted the Integrated Biodiversity Assessment Tool ("IBAT") to evaluate the potential impact of its projects under operational control on biodiversity. This assessment was conducted in accordance with the International Union for Conservation of Nature's Red List of Threatened Species, the World Database on Protected Areas, and the World Database of Key Biodiversity Areas. Based on the results, the Group formulated effective investment and operational strategies to minimise the impact of its business activities on biodiversity to the greatest extent possible.

Number of protected areas (PAs) within a 50-km radius from the project	Percentage	Number of projects
0	83%	60
1	10%	7
2	7%	5
3	0%	0
4	0%	0
≥5	0%	0

Protected areas are designated and managed through legal or other effective means for the purpose of long-term conservation that would provide relevant ecosystem services and cultural values. Based on the aforesaid analysis, approximately 83% of the Group's projects are located neither within nor nearby protected areas, approximately 10% and 7% of its projects are located at sites where there are one to two protected areas within a 50-km radius. No projects are located nearby three or more protected areas.

Number of key biodiversity areas (KBAs) within a 50-km radius from the project	Percentage	Number of projects
0	53%	38
1	32%	23
2	10%	7
3	1%	1
4	1%	1
≥5	3%	2

Key biodiversity areas are significant for the maintenance of global biodiversity, encompassing land, river and marine ecosystems. According to the above table, approximately 53% of the Group's projects are located neither within nor nearby key biodiversity areas, approximately 32% and 10% of its projects are located at sites where there are one to two key biodiversity areas within a 50-km radius. Only approximately 5% are located nearby three or more key biodiversity areas.

The Group has undertaken to actively implement measures for the protection of nature and biodiversity in accordance with *Nature-related Policy* and shall continue to monitor the impact of its business operations on the ecological environment.

Dependency on Natural Capital

The Group's integrated biomass utilisation business requires substantial agricultural and forestry waste as raw materials and is therefore dependent on natural capital to a certain extent. For example:

- Disruption of the agricultural ecosystem caused by insufficient soil nutrition and sabotage of insect pollination resulting in the inability to carry out sustained agricultural development in extensive areas will indirectly affect the volume of straw produced;
- Forest degradation by large areas will affect the development of forestry, thereby resulting in decrease in the purchase volume of biomass fuel sourced from forestry;
- The integrated biomass utilisation business and the hazardous and solid waste incineration business both require substantial water consumption, whilst aquatic animals and plants in rivers and the ecosystem surrounding water bodies help to sustain the self-purification function of water. If such function is undermined to the extent that local fresh water supply is affected, the operation of our projects will be directly affected; or
- Extreme high-temperature weather and shortage of water resources resulting from climate change will also affect the normal operation of our projects.

To address the situation, the Group has been actively seeking business transformation and investigating new directions for development. For details, please refer to pages 57 to 65 in this chapter and 86 to 93 in "Technological Development". Meanwhile, we have enhanced operational management and required all projects to practice conservation of energy and water resources, such as promoting recycled use of water and maximum recycling, among others, in order to reduce dependence on freshwater resources. For details of water and wastewater management, please refer to pages 68 to 70 in this chapter. In the meantime, the Group has also enhanced supply-chain management and coordination in the purchase of biomass fuel to ensure stable supply of biomass fuel. For details, please refer to "Addressing Climate Change" on page 36 in this Report.

The Group is well aware that the impact and dependence on natural capital will also present risks as well as opportunities to business development. The Group has adopted measures in active response. In future, our goal is to:

- Increase our positive impact: sustaining stable operation of our principal businesses and embarking on environmental remediation to solve local environmental problems
- Reduce the negative impact caused by us and our customers: enhancing the operational management of projects and reducing discharge of pollutants
- Capitalising on opportunities for development: seizing opportunities for the development of environmental remediation business with a special focus on the application of nature-based solutions
- Alleviating nature-related risks: enhancing internal as well as external awareness to the best of our effort and procuring stakeholders' involvement in our initiatives for protecting the ecological environment and biodiversity

Promote Sustainable Procurement

The Group actively implements the concept of sustainable procurement across multiple dimensions. By publishing the *Supplier Code of Conduct*, the Group has clearly outlined requirements for suppliers in areas such as environmental protection, health, and safety. This initiative encourages potential suppliers to continuously improve their sustainability performance to meet the Group's procurement standards. Furthermore, the Group remains committed to integrating ESHS management strategies throughout the value chain, ensuring the consistent application of ESG principles at every stage.

In accordance with the Group's *Suppliers Management Measures*, we evaluate suppliers' ESHS performance with a significant weighting in the overall assessment. Suppliers with higher ESHS scores receive higher ratings, giving them an advantage in future tenders and increasing their chances of being shortlisted for invitations. Additionally, we assess the operational efficiency of equipment provided by vendors, focusing on their consumption of water, energy, and other resources. Priority is given to energy-efficient equipment and spare parts to minimise resource consumption.

Electronic Tendering and Procurement

The Group conducts all procurement activities through the electronic tender and procurement platform established by CEEGL, eliminating the use of paper-based tender documents and achieving a paperless procurement process. This initiative significantly reduces paper consumption. Additionally, both bid submission and evaluation are conducted online, minimising the need for experts to travel for in-person assessments. As a result, fuel consumption associated with business travel has been significantly reduced, making the Group's procurement process more environmentally friendly.

Supply Chain Localisation

When selecting suppliers, the Group prioritises those located in the project's operating area. Localising the supply chain enhances suppliers' service efficiency and shortens transportation distances, thereby reducing carbon emissions during transit. Furthermore, the Group requires all vehicles entering and exiting its facilities to comply with local environmental regulations and to adopt emission-reduction measures wherever possible.

The Group is committed to minimising the use of toxic and hazardous products during project operations to ensure a safe and healthy working environment for employees. Priority is given to environmentally friendly office facilities and consumables with energy-saving features. The Group avoids purchasing excessively packaged products and promotes waste sorting in office areas to facilitate the reuse and recycling of resources such as paper and plastics.

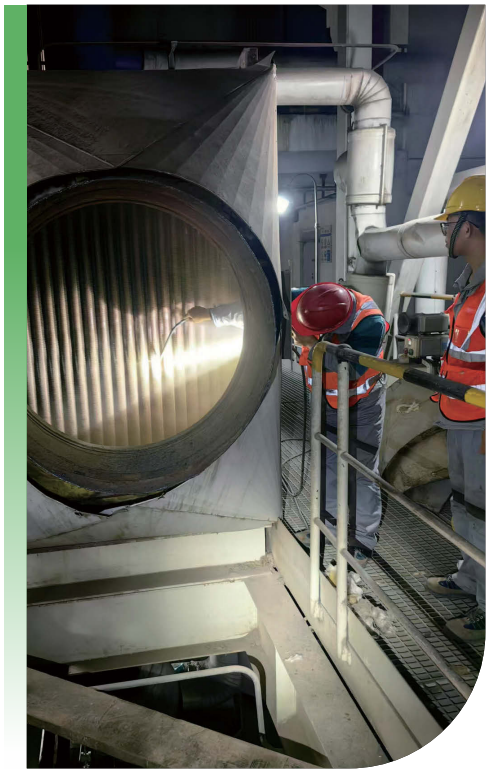
The Group upholds the principle of green operations both internally and externally, requiring all projects to minimise their environmental impact during procurement and daily operations. All procured products and services must comply with relevant environmental laws, regulations, and requirements. In addition, the Group actively promotes sustainable procurement education and advocates the adoption of sustainable procurement practices. Committed to advancing sustainable procurement, the Group will continue to develop its sustainable procurement policies and related guidelines to ensure effective implementation.

Green Finance

In May 2024, the Group successfully issued the "First Tranche of 2024 Green Medium-term Notes" raising RMB 1 billion. The bond features a 3+2 year term with an interest rate of 2.34%, achieving a subscription ratio of 4.51 times. This issuance set new records for Everbright Greentech's domestic bond offerings, with the lowest historical interest rate and the highest subscription ratio.

The proceeds from this issuance will be fully allocated to biomass power generation, electricity and heat cogeneration (EHC) projects, and waste incineration EHC projects within the Group. According to estimates from a reputable third-party institution, based on the total project investment and the proportion of the issuance amount, the funded projects are expected to achieve an annual reduction of approximately 416,400 tonnes of carbon dioxide. This demonstrates significant benefits in energy conservation, carbon reduction, and pollution mitigation.

STABLE SUPPLY



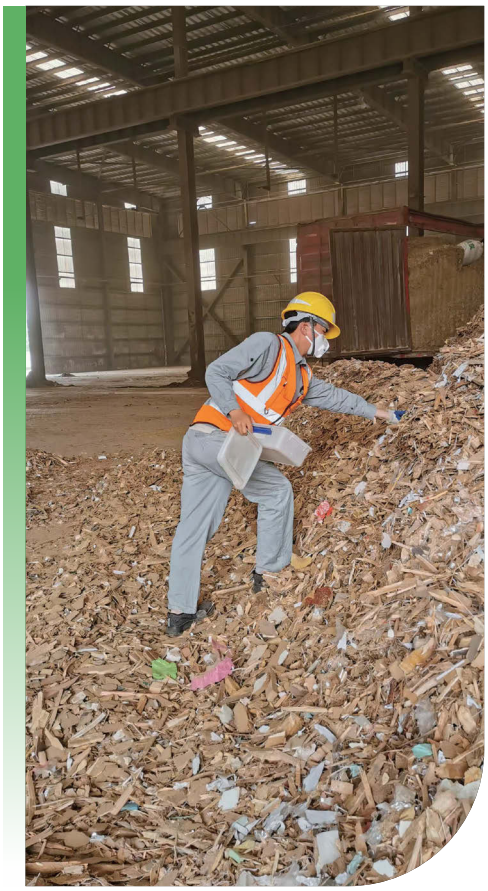
Stable Production

The secure and reliable supply of electricity remains a key priority in the nation's current economic efforts and holds significant importance for maintaining the stable operation of both the economy and society. According to the *Blue Book on Climate Change in China* issued by the China Meteorological Administration in 2024, the global climate system continues to warm, with projections indicating that both the annual average temperature and precipitation in China will increase. These trends pose considerable challenges to energy supply across multiple provinces. Recognising the importance of this issue, the Group placed great emphasis on addressing these challenges by actively implementing the nation's "Energy Supply Assurance Plan for the Summer Peak Season". Significant manpower and resources were allocated to ensure the safe and stable operation of power plants and the reliable supply of electricity. All projects worked in close coordination with the scheduling requirements of local power grids, ensuring an uninterrupted power supply during periods of peak demand. The following measures were adopted:

- Production personnel conducted real-time monitoring of generator units, while specialised personnel for boilers, turbines, and electrical equipment closely monitored operational data and made adjustments based on the actual performance of the units.
- Patrol staff increased on-site monitoring frequencies of key parameters for major auxiliary equipment, including temperature, electric current, and voltage.
- Safety and environmental personnel enhanced equipment monitoring and patrolling efforts, carrying out comprehensive hazard inspections and rectification measures in critical areas and for key equipment.
- Maintenance personnel reinforced shift duties and prepared for emergency repairs, focusing on enhancing defect management to improve both the quality and timeliness of defect resolution.
- Significant efforts were dedicated to tackling technical challenges to resolve long-standing issues impacting the performance of generator units, with the aim of continuously increasing the "health coefficient" of the equipment.

To mitigate the adverse impact of severe cold and freezing weather during production, the Group's projects conducted specialised inspections and training in accordance with the *Notice on Strengthening the Prevention and Control of Extreme Events and Safety Production Work in Winter*. Proactive measures were implemented to complete cold and frost prevention preparations, alongside the improved reserves for production supplies, consumables, and emergency materials. These efforts aimed to prevent forced shutdowns or reduced-load operations, ensuring that our projects continue to operate as stable and safe providers of environmental services.

In addition, during the Reporting Period, the Group implemented a series of measures to enhance its material-receiving mechanisms. These measures included expanding material receiving channels, optimising supplier management, and further developing the fuel procurement system in surrounding areas to increase the flexibility of raw material supply. Furthermore, the hazardous and solid waste treatment business centre introduced performance reforms for market personnel, to enhance employee motivation and efficiency.



Customer Services

Integrated Biomass Utilisation Business

The Group's integrated biomass utilisation business has established the *Service Guide for Fuel Customers*, which provides detailed operational guide to fuel customers for account opening, delivery and sales and quality inspection. With high-quality and efficient services, we have significantly enhanced the fuel customers' experience and satisfaction in cooperation with project companies. Meanwhile, we regularly conduct fuel customer satisfaction questionnaires, allowing customers to evaluate the performance of the projects in fuel procurement services, customer management, feedstock depot management and probity and self-discipline, on the basis of which ongoing improvements would be made to fuel procurement.

To ensure the biomass quality, the Group requires project companies to carry out stringent inspections on the quality of incoming fuels. This approach not only provides customers with professional services but also enhances the quality of fuel procurement. For example, our Mianzhu Integrated Biomass and Waste-to-Energy Project has established the following mandatory requirements for fuel quality inspection:

- Incoming materials must not be unloaded without the presence of quality inspection personnel as a matter of basic principle.
- Incoming materials must be flipped over after unloading for the inspection of fuel quality inside.
- Quality inspection conducted on a fair and impartial basis and resolute rejection of any manually mixed fake materials with serious flaws as a punitive warning.
- Omissions in sampling must not be allowed and samples must be delivered in a timely manner with proper delivery records.
- Quality inspection must be conducted with video recording; "questionable" vehicles and rejected fuel must also be video-recorded and reported in a timely manner.

Hazardous and Solid Waste Treatment Business

A customer service department has been established at each of the Group's hazardous and solid waste treatment projects, supported by a comprehensive customer service system and framework. This aims to maintain positive interactions and foster mutual trust with customers:

- *Customer Service Department Management Systems:* define the overall responsibilities of the department and duties of individual positions, comprising multiple systems such as the objectives of customer service, servicing process, waste sampling process, quotation management, transfer note management.
- *Customer Service Standards:* outline service standards, service details and plans, employee's aptitude standards and sampling standards, among others. In particular, it is stipulated that customer reviews must be conducted on a regular basis and customers satisfaction questionnaires must be issued to listen to the voice of customers.
- *Customer Review System:* details the operational requirements of reviews, allocation of duties, handling of complaints and arrangements for reward/ penalties.

Environmental Remediation Business

The environmental remediation segment is primarily a service business. Upon the completion of each service project, satisfaction survey questionnaires are distributed to customers, inviting them to evaluate various aspects of the project team's performance, including communication and proactivity, construction quality, progress and efficiency, construction site safety, environmental and occupational health conditions, as well as inspection, acceptance, and services following project completion and delivery. We place great importance on customer feedback, viewing it as a crucial basis for the continuous improvement of our business capabilities and service standards. Through this customer-centred evaluation mechanism, we are committed to consistently enhancing service quality, with the aim of securing more environmental remediation service projects.

The Group also actively encourages project companies to obtain international management system certification. Currently, 5 project companies have successfully obtained ISO 9001 Quality Management System Certification, including Everbright Environmental Hazardous Waste Treatment (Zibo) Co., Ltd., Everbright Greentech Technology (Wuxi) Co., Ltd., Lishui Everbright Environmental Solid Waste Treatment Co., Ltd., Everbright Ecological Remediation (Jiangsu) Co., Ltd. (formerly Suntime Environmental Remediation Co., Ltd.) and Everbright Environmental Remediation (Jiangsu) Co., Ltd.

In 2024, No significant complaints regarding products, quality and services were received.

Cyber Security and Privacy Protection

Cyber Security

The Group directs the development of its information-based systems and cyber security management in strict accordance with the requirements of laws and regulations such as *Cyber Security Law, Data Security Law, Law for the Protection of Personal Information Security, Regulations on the Protection of Key Information Infrastructure Security, Basic Requirements in Tiered Protection* and *Implementation Guide for Tiered Protection of Electrical Information System Security*. To effectively lower risks associated with the leak of private and sensitive information, the parent company, CEEGL, has established a Cybersecurity and Information Security Leadership Team, supported by the Information Technology Management Department, which is responsible for developing information security strategies and overseeing the information security management practices of all project companies. The Group strictly adheres to the parent company's information security policies and other relevant regulations, including the *IT Management Administration System, Information Security Management Measures*, and *Employee Network and Information Security Handbook*, among others.

The Group requires business management centres and project companies to assign dedicated/part-time personnel for network security management. We have also stipulated detailed regulations in connection with the management of internal computers and network equipment, data and information security management and the use of various systems.

During the Reporting Period, the Group conducted a comprehensive inspection of the information security hazards in websites, systems and document files.


深圳市网络安全等级保护
测评结果通知书

编 号：SZCP202301921

测评系统信息：

依据《信息安全等级保护管理办法》等有关规定，光大环保（中国）有限公司已按规定开展2023年度等级保护测评工作。

1、OA系统，二级，生。
2、生产在线监控系统，二级，良。

特此通知

深圳市信息安全等级保护工作协调领导小组办公室
2023 年 11 月 21 日

测评机构：深圳市博通智能技术有限公司
测评日期：2023.10.07-2023.11.10


深圳市网络安全等级保护
测评结果通知书

编 号：SZCP202301866

测评系统信息：

依据《信息安全等级保护管理办法》等有关规定，光采招标（深圳）有限公司已按规定开展2023年度等级保护测评工作。

1、光大环境招标采购电子交易平台系统，三级，良。

特此通知

深圳市信息安全等级保护工作协调领导小组办公室
2023 年 11 月 16 日

测评机构：深圳市博通智能技术有限公司
测评日期：2023.10.07-2023.11.10

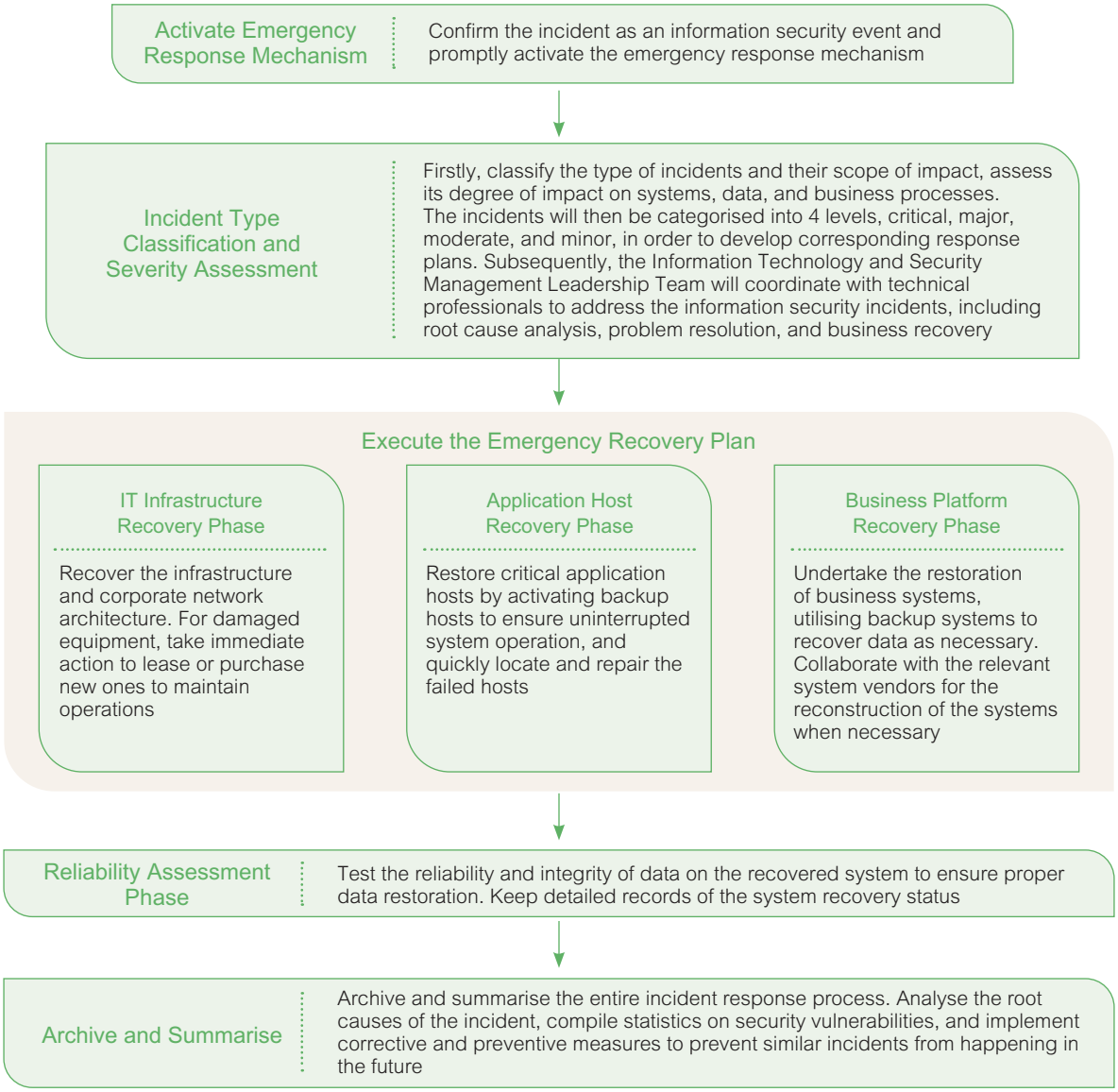
Information System Security

CEEGL's Tendering and Procurement Electronic Trading Platform System, Automated Office System, and Production Online Monitoring System adopted by the Group have passed the Shenzhen Cyber Security Tiered Protection Test and Rating.

The parent company, CEEGL, attaches great importance to cyber security and successfully organised internal and external cybersecurity drill exercises covering all project companies and employees of the Group during the Reporting Period. As part of these drills, employees were instructed to secure their personal computers and mobile devices, ensure antivirus software was installed, uninstall unauthorised applications, and remain vigilant against phishing threats, including emails, SMS messages, and WeChat communications. Particular emphasis was placed on preventing phishing emails and messages, with employees educated on recognising and avoiding phishing attacks. In addition, employees received training to raise awareness of social engineering attacks, particularly those involving fraudulent activities that impersonate company leaders or colleagues. Employees were also reminded to verify identities via telephone when communicating with outsourced service providers to prevent the leakage of sensitive information.

With the iterative development of artificial intelligence, generative AI is reshaping people's daily lives at an unprecedented speed, and the new scams and tactics emerging from it pose potential risks and hidden dangers to personal safety. In response, the Group revised *Code of Conduct* in December 2024 to emphasise to employees the importance of remaining vigilant not only against phishing emails and online scams but also against the growing cybersecurity threat of deepfake fraud. Employees are strongly advised to exercise heightened caution and undertake thorough verification of any instructions involving financial transactions.

The Group has established an Information Technology and Security Management Leadership Team, chaired by a senior executive, in accordance with the information management requirements set by the parent company, CEEGL. The team is responsible for coordinating network and information security efforts, advancing cybersecurity initiatives, and ensuring the stable and secure operation of information systems. In the event of a cybersecurity incident, the team will classify the incident based on its scope and severity. Incidents classified as level three or above must be reported to the Information Technology Management Department and will require collaboration with the relevant business units to carry out emergency recovery measures.



Furthermore, the Group has organised two online cybersecurity training sessions, with a total of 149 employees in attendance. During these sessions, trainers systematically delivered essential knowledge on cybersecurity and provided in-depth interpretations of key documents, including the *Guidelines for the Protection of Network Security in Industrial Control Systems* and *Data Security Technology — Rules for Data Classification and Grading*. Additionally, the trainers offered clear and practical explanations on topics such as office safety and awareness, analyses of domestic and international cybersecurity incidents, and the legal frameworks surrounding cybersecurity regulation and protection. These efforts have greatly enhanced the Group's capabilities in cybersecurity defence, vulnerability management, and emergency response. To further consolidate the training outcomes, we have provided a comprehensive range of cybersecurity training resources, including Cybersecurity Awareness Training 2024, the *Employee Network and Information Security Handbook*, and the Everbright Group Staff Safety Awareness Training. These materials have been uploaded to the online training platform, enabling employees to access and study them at their convenience, thereby continuously improving their cybersecurity knowledge and skills.

In 2024, **No** breachable loophole has been identified in the national and Everbright Group cyber security drills.

Privacy Protection

As an environmental enterprise, we handle a massive volume of customer information and environmental data in our daily operations. Consequently, we face substantial challenges related to cybersecurity and data protection. To ensure data security and safeguard personal privacy, the Group strictly adheres to the parent company, CEEGL's *Confidentiality Regulations*. These regulations outline specific management measures that cover information management for all employees, customers, and suppliers.

To better protect employees' personal information, foster sound labour relations, and minimise the risk of regulatory violations, the Group has implemented the *Personal Information Collection Statement and the Consent Letter for the Handling of Employees' Personal Information* at its headquarters in Hong Kong and Mainland China. These initiatives comply with pertinent laws and regulations, including the *Civil Code of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China*, and the *Personal Data (Privacy) Ordinance*. These documents clearly outline the purpose of collecting personal information and the retention period. The Group is committed to safeguarding the personal data and privacy of all stakeholders and pledges not to use the personally identifiable information of customers, employees, or other third parties for any other purpose.

In 2024, No major information security incidents occurred, and No complaints were received about privacy leakage of customers and employees.

Safeguarding Intellectual Property Rights

The Group has established the *Measures for Intellectual Property Rights Management* to standardise the management of intellectual property (IP) rights, encourage employee innovation, and ensure the protection of intellectual property. During the Reporting Period, we revised the *Intellectual Property Management Regulations*. On one hand, the revisions aim to strengthen the responsibilities within the management system, encourage employees to actively engage in innovation, and promote the practical application of technological achievements. On the other hand, the updated measures emphasise the importance of enhancing intellectual property protection awareness among all business units during technological development and collaboration. Each unit is required to actively implement measures to safeguard the Company's technical secrets. The measures outline key provisions, including the application process for intellectual property rights, ownership and entitlement, as well as penalties for violations. The document also provides the following important provisions and guidelines:

- All units are required to enhance awareness of intellectual property (IP) protection during technological development and cooperation. They should actively adopt measures to safeguard the Company's confidential technological information, establish and improve employee confidentiality agreements and confidentiality-related reward and penalty mechanisms, and implement systems for managing the access, filing, and archiving of technological data and intellectual property-related documents. These measures aim to prevent the unauthorised disclosure of core technologies.

- In technical, economic, and trade contracts or documents entered into with third parties, the respective entitlements to the outcomes of inventions must be clearly defined. This includes explicit agreements on patent application rights, patent ownership, and the rights to patented technologies.

- Before making decisions on projects involving significant interests such as project investments, technology R&D, technology introduction, equity or cooperative joint ventures, product marketing, patent applications, and rights protection, units or project teams should fully utilise technological databases and intellectual property announcements. They must conduct thorough research on intellectual property rights, analyse technological levels, and develop appropriate response strategies for the relevant technological fields. These efforts help avoid intellectual property disputes and ensure that intellectual property protection spans the entire process, from project initiation and process management to the legal protection, commercialisation, and industrialisation of research outcomes.

Additionally, the Group strictly prohibits employees from downloading, installing, or using any unapproved or pirated software.

Supply Chain Management

The Group upholds the principles of fairness and transparency in its management approach, meticulously selecting and overseeing suppliers and contractors. We strictly adhere to the comprehensive supplier management standards established by our parent company, which include the *ESG Policy, Supplier Management Measures, Contractor ESHS Management Standards, Procurement Management System, Tendering and Procurement Management Measures, Measures for Non-tender-based Procurement, Supplier Code of Conduct*, and the *Sunshine Statement*. Before selecting suppliers and contractors, we conduct a comprehensive evaluation to thoroughly assess their performance capabilities, environmental and social responsibility practices, service quality, and management philosophy. Through a rigorous selection process, we ensure that only the most exemplary partners join our collaboration network, working together to drive the Group's sustainable development and long-term success.

The Group has implemented a stringent supplier selection and management system, fostering close communication and collaboration with suppliers to mitigate procurement risks and promote responsible sourcing. Additionally, we leverage the CEEGL's tender and procurement e-trading platform to introduce an innovative online bidding model, strengthening oversight and management of the bidding process. These measures are aimed at diligently preventing non-compliance and misconduct.

ESG Policy

The Group adopts a systematic approach to establish stringent standards for suppliers' conduct across economic, environmental, and social dimensions, ensuring full compliance. Suppliers are encouraged and supported to improve the sustainability performance of the supply chain. Furthermore, our *ESG Policy* promotes suppliers' active assumption of social responsibilities, thereby enhancing the sustainability of the entire supply chain.

- Governance Aspect: The Group requires suppliers to strictly comply with all applicable local and international laws, including anti-corruption regulations in their jurisdictions, ensuring legal and ethical business practices.
- Social Aspect: The Group requires suppliers to commit to safeguarding labour rights in line with international human rights standards. This includes eliminating child labour, forced labour, and human trafficking, while protecting fundamental rights. Suppliers must also adhere to our policies on freedom of occupational choice, working hours, wages and benefits, humane treatment, and maintaining a non-discriminatory work environment.
- Environment Aspect: The Group requires suppliers to comply with our environmental permits and regulatory requirements, enhance monitoring of their operations, and minimise pollution and negative impacts on the community and environment.

Through these measures, we expect the supply chain to contribute positively across economic, environmental, and social dimensions.

The Group is committed to conducting due diligence on materials within the supply chain by formulating and implementing specific due diligence policies and management systems to identify risks and take appropriate mitigating actions.

Supplier Management Measures

The Group has established a comprehensive supplier management framework that clearly defines suppliers' responsibilities, classifications, and evaluation criteria. This framework outlines the onboarding process for new suppliers, ongoing management protocols, and detailed regulations for handling underperforming suppliers, including penalties for non-compliance.

During the annual evaluation process, suppliers are categorised into 4 levels - A, B, C, and D - based on factors such as their professional capabilities, financial stability, and compliance records. Suppliers in the lowest tier (D) who fail to demonstrate their ability to meet the Group's requirements may face termination of their partnership with the Group.

Additionally, the Group enforces an integrity management system for suppliers, maintaining records of any breaches of trust or misconduct. Depending on the severity of such infractions, suppliers may be placed on a non-compliant supplier list or a blacklist.

Supplier Code of Conduct

The Group has established primary behavioural standards for suppliers, outlining the minimum standards that each supplier must adhere to when engaging in commercial cooperation. This includes a commitment to uphold labour rights and respect workers in accordance with international human rights standards. Suppliers are also required to comply with the Group's stipulations regarding freedom of occupational choice, the prohibition of child labour, working hours, compensation and benefits, humane treatment, and non-discrimination, among others.

Contractor ESHS Management Standards

The Group has established ESHS Management Standards for Contractors, aiming to identify and control environmental, social and safety-related risks arising from the course of outsourcing by examining the contractors' backgrounds, credentials, construction operations and performance in environmental protection.

Contractors are required to complete the "Contractor ESHS Questionnaire" to provide relevant ESHS information that would facilitate the Group's compilation of a list of compliant contractors and ensure compliance of suppliers and contractors with laws and regulations governing environmental and social responsibilities, as well as applicable regulations of national and local governments. The Group requires information including whether contractors are qualified with international environmental management standard accreditation such as ISO 14001, undertake ESHS training and appraisal and provide appropriate protective gear to employees, among others.

Supplier Management Process

Supplier Screening and Selection

The Group identifies and selects new suppliers in a standardised manner, following the provisions and guidelines outlined in the *Supplier Management Measures*. For suppliers expressing an intention to partner with the Group, procurement management departments at various levels conduct investigations and assessments to evaluate their eligibility for inclusion in the supplier list. After the initial investigation, prospective suppliers are required to arrange on-site or off-site inspections, during which their quality standards, delivery capacity, pricing, technical capabilities, service quality, user feedback, and environmental and social performance are assessed. Only after stringent evaluation and selection are suppliers added to the supplier list.

To continuously improve the procurement tender system, the Group has formulated and published the *Procurement Management System, Tendering and Procurement Management Measures, and Measures for Non-tender-based Procurement*. These initiatives aim to standardise and ensure compliance in the procurement tender process while enforcing stringent regulation and management of all procurement activities to promote responsible sourcing. Supplier selection is finalised through public bidding, invited tendering, price inquiries, or directional negotiations in accordance with the established system.

Supplier Supervision and Evaluation

For suppliers with established partnerships, the Group closely monitors and inspects their performance following the awarding of tenders, conducting both dynamic and annual assessments. The timing and scoring system for dynamic assessments are implemented in accordance with the *Supplier Management Measures*. Annual assessments are carried out from the end of the current year to the beginning of the following year, during which a comprehensive rating is determined based on the results of dynamic assessments. During the Reporting Period, the Group rated 5 suppliers with scores below 65 as Grade D suppliers, placing them on the disqualified suppliers list for a period of 3 years. These suppliers may reapply for admission only after the penalty period has expired and relevant rectification measures have been implemented.

During the Reporting Period, the Group removed certain suppliers from the supplier database or placed them on the blacklist based on the results of dynamic and annual assessments, adhering to the principles of fairness and impartiality. According to statistics, a total of 237 suppliers, at both the headquarters and project levels, were penalised for violations. These violations included bid rigging, bidding under the name of other parties, commercial bribery, use of improper channels for purchasing spare parts resulting in safety and environmental risks, and non-compliance with quality standards for environmental consumables.

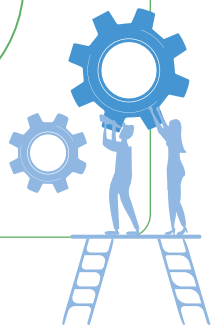
Maintain Communication with Suppliers

100% of potential suppliers have signed the CEEGL's *Sunshine Statement* when participating in our tenders. The *Sunshine Statement* includes declarations prohibiting activities such as the transfer of illicit benefits, unfair competition, and bribery, among others. It also provides a dedicated email address and telephone number for reporting misconduct.

All integrated biomass utilisation projects have issued the *Advocacy to Customers*, which publishes the email address and telephone number for reporting and complaints. These details are also prominently displayed at conspicuous locations within plant sites to encourage fuel customers to report any misconduct by fuel procurement personnel, thereby promoting "Sunshine Procurement".

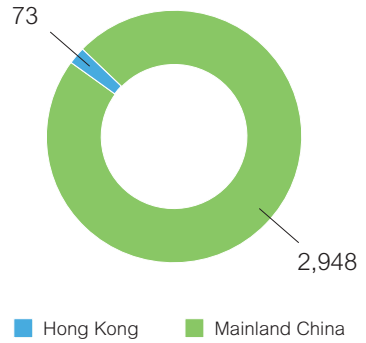
The signing rate of the anti-bribery clause in the suppliers' *Sunshine Statement*

100%

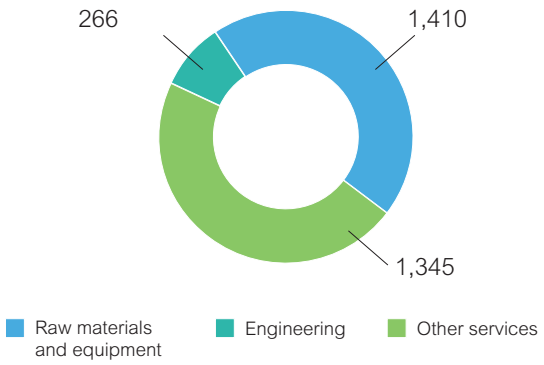


2024 Supplier Data

Number of Suppliers by Region



Number of Suppliers by Category



Supplier Sustainability Risk Assessment

In light of the increasing global emphasis on sustainable development, the Group is committed to embedding this principle into our business operations and supply chain management. To better understand and manage potential risks within the supply chain, we engaged independent consultants to evaluate the sustainability risks and ESHS performance of our suppliers. In 2024, we assessed 131 key suppliers, primarily those providing products and services related to electrical equipment, engineering construction, and air system technology. The evaluation covered suppliers' qualifications in production, operations, and safety, as well as the management systems they have established for quality management, environmental protection, and social responsibility.

This sustainability risk assessment highlights the Group's achievements in supply chain sustainability management. All participating suppliers reported no instances of business litigation arising from environmental or social issues, nor have they been subject to prosecution or fines by the relevant regulatory authorities. The majority of suppliers have either obtained or are actively pursuing key international certifications, including ISO 9001, ISO 14001, and ISO 45001. Notably, 55% of suppliers have established and implemented occupational health and safety policies and provided relevant training to their employees. Furthermore, 99% of surveyed suppliers indicated that no safety incidents occurred in the past 3 years. The risk assessment also identified no risks related to child labour or forced labour within the supply chain.

The Group engaged independent consultants, together with our internal ESHS management team, to conduct substantive assessments aimed at identifying and evaluating suppliers' environmental and social risks. This process enabled the Group to delineate sustainability risks at each stage of the supply chain. The team assessed sustainability risk factors and issues across various dimensions, including environmental performance, quality management, occupational health and safety, employee training, and human rights policies. By collecting and analysing supplier-provided data, the Group identified the most significant risk factors and issues.

To assess supplier performance in ESG aspects, the Group categorised supplier risks into 3 levels: low, medium, and high. In this assessment, 97% of surveyed suppliers were classified as low risk, whilst the remainder fell into the medium risk category, with no suppliers identified as high risk. To assist medium-risk suppliers in improving their management practices, the Group actively explored their circumstances and provided recommendations to ensure risks are effectively controlled. The Group will continue to monitor supplier performance closely and maintain transparent communication with all stakeholders to ensure the sustainability of the supply chain.

TECHNOLOGICAL DEVELOPMENT

The Group has established EB Greentech Technology Services (Jiangsu) Co., Ltd. to be responsible for technology R&D and management, complemented by a range of systems to regulate relevant management duties, including the *Measures for the Management of Technology R&D Projects, Measures for the Management of R&D Equipment, Measures for the Reward of Technological Innovation and Measures for R&D Project Appraisal,* among others, in order to safeguard the steady development of technological innovation.

To encourage innovation among our technical personnel, the Group seeks to incentivise teams producing outstanding technological achievements with both honorary awards and rewards in kind. Currently, 4 major awards have been established, including the "Excellence in Technological Achievement Award", "Intellectual Property Rights Award", "New Technology Award" and "Five Small Innovation Award". In the meantime, we actively collaborate with industry organisations to draft and publish industry standards, conduct researches as well as study the current status and future prospects of industry development.

Excellence in Technological Achievement Award

Units or teams that have achieved outstanding technological advancements in R&D or whose technological accomplishments have been recognised by government technology authorities or industry associations.

Intellectual Property Rights Award

Units or teams which have acquired intellectual property rights for their technology R&D.

New Technology Award

Units or teams which have achieved outstanding results in the introduction of new technologies.

Five Small Innovation Award

Units or teams which have achieved excellent results in the innovation of project operation and management.

Upgrading Existing Project Technologies

The Group addresses practical challenges in project operations and enhances operational efficiency by closely monitoring the actual needs of technology research and development projects. We actively promote the optimisation and innovation of technologies and products. Through internal initiatives and external government collaborations, the Group undertakes a series of technical engineering and specialised research projects in partnership with universities and research institutions.

Energy Conservation and Reducing Emission

- Ultra-low emission upgrading for biomass projects (for details, please refer to "Green Recycling" chapter on page 55 of this Report)
- Biomass ash recycling (for details, please refer to "Green Recycling" chapter on pages 61 to 62 of this Report)
- Oxygen carrier-aided biomass fluidised bed carbon monoxide reduction technology
- Research on ultra-low incineration flue gas emission technology and biomass boiler high-efficiency low-nitrogen combustion technology
- Integrated mid/high-temperature selective catalytic reduction ("SCR") denitrification technology for biomass boiler
- Development and application of safe, clean and high-efficiency incineration technology for general combustible industrial solid waste
- Research on synergistic purification and ultra-low emission mechanism for hazardous waste incineration treatment
- Development of low-energy, high-efficiency multi-pollutant treatment technology and equipment for industrial boiler emissions
- Wet deacidification process optimisation for hazardous waste incineration system
- Integrated nitrogen oxides and dioxin catalyst removal technology for general industrial solid waste incineration

Strengthening Core Business Competitiveness

- Research on critical technology for full recycling of landfill-mined household waste
- Research on molten salt furnace cracking end-of-life tyre process technique
- Research on optimised utilisation of cracked oil and carbon black in integrated end-of-life tyre utilisation project
- Other directions for research: soil improvement agent, coordinated degrading of waste leachate, functional micro-bio bacteria agent, among others

Outstanding Cases in Proprietary Technological Upgrades

To address the issues of insufficient combustion stability, high concentrations of incomplete combustion products in flue gas, and catalyst sintering during the combustion process of biomass boilers, the Group developed the "Integrated mid/high-temperature SCR denitrification technology for biomass boilers". By optimising combustion conditions and enhancing catalyst performance, this technology effectively improves denitrification efficiency while reducing operating costs:

- Optimise combustion conditions using numerical simulation technology
- Adopt a dual-additive system to enhance the catalyst's resistance to alkali metals and sintering
- Develop a high-angle corrugated interception mesh, combined with soot blowers and a wide-pitch catalyst structure design
- Introduce an emergency cooling device and catalyst anti-sintering technology

This technology has been successfully applied to multiple biomass projects, including Lianshui, Huai'an, Rugao, Shayang, Xiayi and Suzhou projects. Among them, Lianshui biomass project achieved the following excellent results after adopting the new technology:

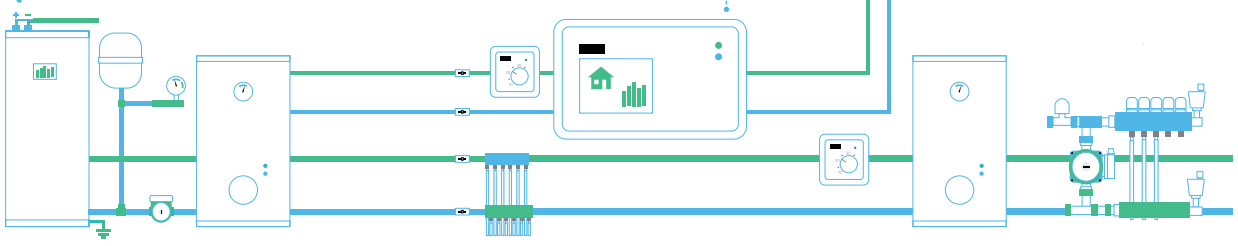
Concentration of No_X emission from No. 1 boiler has been lowered to 10-20mg/m^3, a substantial 80-90% reduction compared to 100mg/m^3 prior to the upgrade and significantly lower than the Jiangsu provincial local standard of 50mg/m^3

10%

Boiler efficiency increased by approximately 10%

15%

Fuel consumption decreased by approximately 15%



Recipient of Multiple Provincial and Ministerial-Level Awards

During the Reporting Period, the Group's core technological achievements "Key Technologies and Applications for Low-Carbon Combustion of Multi-Source Industrial Solid Waste" and "Key Technologies and Equipment for Hydrogen-Carbon Cogeneration and Carbon Pollution Co-Removal of Agricultural and Forestry Wastes" were both awarded First Prizes in Scientific and Technological Progress by Jiangsu Province. "Key Technologies for Multi-Effect Purification of Flue Gas from Organic Solid Waste Incineration and Hierarchical Utilisation of Fly Ash" received the First Prize in Scientific and Technological Progress from Hubei Province. "Integrated Mid/High-Temperature SCR Denitrification Technology for Biomass Boilers" was awarded the Second Prize for Environmental Equipment Science and Technology by the China Environmental Protection Machinery Industry Association.

First Prize of Jiangsu Province Science and Technology Progress Award

First Prize of Jiangsu Province Science and Technology Progress Award

First Prize of Environmental Equipment Science and Technology Award

Second Prize of Environmental Equipment Science and Technology Award

Driving Technological Innovation

To achieve sustainable development goals, the Group has consistently invested in research and development for technological innovation projects. Key focus areas such as waste management, renewable energy, distributed energy systems, biomass conversion, and carbon capture. Leveraging technological innovation as a driving force, the Group actively explores new business models that balance economic feasibility with social value, thereby achieving both green development and enhanced productive capacity.

Sustainable Waste Management and Resource Recycling Technologies	Resource recycling of fly ash from household waste and hazardous waste incineration Utilisation of bulk solid waste as construction materials
Renewable Energy and Smart Energy Systems	Smart solar storage virtual plant technology Development and construction of Zero-carbon Industrial Parks and virtual power plant software platform
Distributed Energy and Energy Efficiency Enhancement Technologies	Research and application of distributed heating technology to enhance energy efficiency and reduce carbon emissions in heating systems
Biomass Heat Supply Technologies	Research on high-value development of biomass, such as biomass gasification for heating and bio-based alcohol production Whole-bale straw gasification and coupled combustion boiler heating technology
Carbon Capture and Climate Change Mitigation Technologies	Development of key technologies for the synthesis and application of high-stability solid amine CO_2 capture materials

"Zero-carbon Industrial Park + Virtual Power Plant" Business Model

Since 2023, the Group has been leveraging its established operations and expertise in the integrated biomass utilisation sector to actively develop a "Zero-carbon Industrial Park + Virtual Power Plant" business model, extending its capabilities to provide innovative solutions6 for decarbonisation and energy management. This initiative has resulted in the establishment of 10 pilot projects in cities including Nanjing, Huai'an, Changzhou, Xuzhou, Suqian, Suzhou, Liu'an, and Guangzhou, with a total investment of RMB 807 million. The pilot projects include 137.58 MW of rooftop solar energy installations, 29.47 MWh of energy storage, 1.58 MW of charging stations, and a heat supply capacity of 276.25 tonnes per hour, along with the simultaneous integration of virtual power plants and green electricity trading platforms.

Zero-carbon Industrial Park Implementation: the Group leverages agricultural and forestry biomass electricity and heat cogeneration projects to supply industrial parks with clean and stable green steam, effectively reducing fossil carbon emissions. At the same time, rooftop solar energy systems, energy storage facilities, and electric vehicle charging stations have been installed within the parks. Additionally, a smart energy and carbon management platform has been developed, enabling real-time monitoring, optimisation of energy consumption, and carbon footprint management.

Virtual Power Plant Technology Application: the Group has established a virtual power plant aggregation platform and a green electricity trading platform powered by artificial intelligence algorithms. The virtual power plant aggregation platform integrates distributed energy sources, energy storage systems, and controllable loads, supporting industrial parks in achieving energy savings and carbon reduction while promoting green development. The green electricity trading platform utilises advanced information and communication technologies and data analytics to provide real-time tracking and precise forecasting of electricity market dynamics. As technology advances and market mechanisms continue to mature, the market scale and influence of virtual power plants are expected to expand, becoming a critical support for the flexible regulation and safe, stable operation of power systems.

Advanced High-Salinity Wastewater Treatment Technology

Salt crystallisation and blockage of the spray nozzle at the hypersaline water reverse spray quench tower has been a persistent problem for the hazardous waste treatment industry. Through relentless effort, the Group's Xinyi Hazardous Waste Incineration Project successfully achieved the complete reverse spraying of hypersaline water into the quench tower during the Reporting Period without adding salt resistance agents and completed long cycles of stable operation, becoming the first operator in the industry to achieve the same. Regarding the disposal of hypersaline water in the moisturising tower during hazardous waste incineration, the technology has reached an advanced level by industry standards while demonstrating operational reliability and requiring relatively low investment and operating costs. The efficient disposal of hypersaline wastewater enables the moisturizing tower to operate at a low electrical conductivity, resulting in notable improvements in the flue gas emission indicators which are far lower than the limits set out under national standards, as indicated in the table below. Meanwhile, the technology also ensures the stable operation of hazardous waste incineration systems, effectively preventing issues such as fugitive emissions caused by breakdowns in quenching.

Emission Indicator

Smog Dust	Hydrogen Chloride	Sulphur Dioxide	Hydrofloric Acid
2.6	0.6	2.1	0.3
Actual control value (mg/m^3)	Actual control value (mg/m^3)	Actual control value (mg/m^3)	Actual control value (mg/m^3)
30	60	100	4
National standard (mg/m^3)	National standard (mg/m^3)	National standard (mg/m^3)	National standard (mg/m^3)

Whole-Bale Straw Gasification and Coupled Combustion Boiler Heating Technology

To address the challenges faced by the development of centralised biomass electricity and heat cogeneration systems, the Group has developed a whole-bale straw gasification coupled combustion boiler technology. This innovative approach eliminates the reliance on traditional fuel pre-processing steps such as unpacking and shredding, enabling the direct use of whole straw bales as fuel. This not only significantly reduces costs, but also improves the plant environment. The technology utilises a gasification coupled combustion method, effectively suppressing nitrogen oxide emissions. It also offers several advantages, including strong adaptability to fuel moisture content, high combustion efficiency, operational flexibility, and low investment costs, giving it remarkable market competitiveness. Currently, this technology has been successfully implemented in the Group's Xuyi and Xiaoxian biomass projects, delivering outstanding operational results. It has not only reduced overall costs but also significantly enhanced energy-saving and emission-reduction performance. The Group will continue to promote the broader adoption of this technology, injecting new momentum into the development of clean energy.

During the Reporting Period, the Group invested approximately RMB 67.70 million in R&D across key areas such as carbon emission reduction, pollutant reduction, energy conservation, efficiency improvement, development of new products and technologies (focusing on low-carbon and decarbonisation), low-carbon business models, and resource recycling.

To enhance core competitiveness, the Group has consistently promoted innovation by allocating significant resources to R&D. In terms of intellectual property, the Group applied for 35 patents during the Reporting Period, including 20 invention patents and 15 utility model patents, and obtained 12 patent authorisations, comprising 7 invention patents and 5 utility model patents. Additionally, the Group submitted 6 papers for publication in external academic journals. As of 31 December 2024, the Group holds a total of 118 authorised patents, including 48 invention patents, 65 utility model patents, and 5 software copyrights.

As one of the leading enterprises in the environmental protection industry, the Group actively fulfils corporate responsibilities, driving the industry towards higher standards and levels of development. During the Reporting Period, the Group co-compiled 2 group standards, as detailed below:

No.	Standard Name	Category	Standards Authoring Organisation
1	Technical specification for denitrification engineering of biomass circulating fluidised bed incinerator flue gas: medium /high-temperature selective catalytic reduction method	Group standard	EB Greentech Technology Services (Jiangsu) Co., Ltd., Everbright Greentech Management (Shenzhen) Co., Ltd., Everbright Biomass Energy (Lianshui) Co., Ltd., Everbright Urban and Rural Renewable Energy (Huai'an) Co., Ltd., Everbright Biomass Energy (Rugao) Co., Ltd., North China Electric Power University, Wuhan XuQing Engineering Technology Co., Ltd., Tianhe (Baoding) Environmental Engineering Co., Ltd., Everbright Environmental Protection Technology Equipment (Changzhou) Co., Ltd.
2	Technical specification for biomass grate incinerator flue gas emission treatment: metal filter bag dust removal + SCR denitrification + sodium-alkali desulphurisation	Group standard	EB Greentech Technology Services (Jiangsu) Co., Ltd., Everbright Greentech Management (Shenzhen) Co., Ltd., Everbright Urban and Rural Renewable Energy (Guanyun) Co., Ltd., Guangdong Xinli New Materials Co., Ltd., Everbright Environmental Protection Technology Equipment (Changzhou) Co., Ltd., Tianhe (Baoding) Environmental Engineering Co., Ltd., Demeister (Shanghai) Environmental Technology Co., Ltd., Fujian YuanZhi Environmental Technology Co., Ltd.

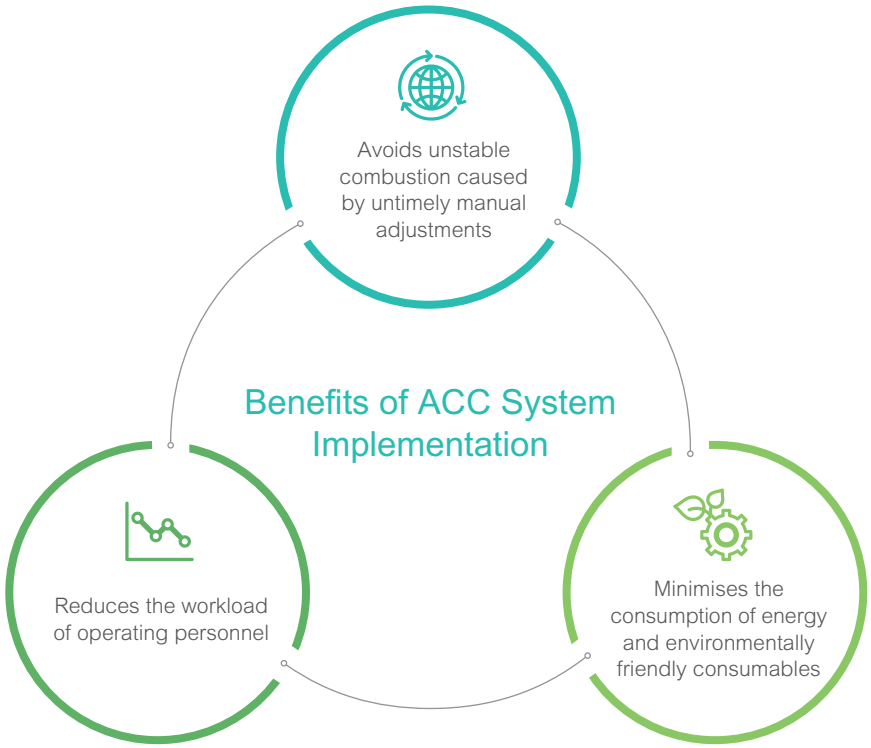
Digital Transformation

Enhancing Safety Management Capability

Smart Safety Defence System: a customised video surveillance solution powered by AI algorithm engine, algorithm management platform, and algorithm development training platform. It is designed based on the actual scenario of project plant sites. The system sends out instant safety warnings by designating regions of interest ("ROI"), constructing identification models, identifying unsafe actions and environments, which helps to eliminate hazards and prevent safety incidents. Currently, the system is being piloted at the Group's two projects in Huangshi and Dingyuan. Preliminary system building and training for certain models have been completed, such as the identification of unsafe actions (e.g. wearing of safety helmet, fall) and unsafe environments (e.g. identification of smoke and fire), among others. For more details, please refer to the "Safe Production" chapter on pages 50 to 52 of this Report.

Improving Project Operational Efficiency and Reducing Energy Consumption

Automatic Combustion Control ("ACC") System: Boiler combustion is managed through ACC software logic, which automatically controls the rotation of the boiler grate and the airflow, enabling more precise combustion and a more stable combustion curve. Currently, the system is undergoing a trial run at the Group's biomass project in Huai'an, where fine-tuning and testing of one boiler have been completed. Moving forward, the Group plans to accelerate the research, development, and application of the smart combustion system for biomass projects.



Enhancing Data Management Capabilities

Integrated Data Management System Development: Under the leadership of the parent company, CEEGL, the existing information management systems (including production management, procurement, supplies management, human resources, and financial management systems) were connected and integrated to further improve data management level. During the Reporting Period, the Group has optimised the data management platform, achieving integration with the master data platform, the business-financial integration platform, and the carbon asset management platform. Enhancements were made to the reporting content, data extraction logic, and approval workflows within the production management system, enabling the adoption of a closed-loop management process covering every stage from initial issuance to final acceptance. Additionally, a new performance indicator framework was implemented in the clean energy production management system, featuring standardised templates for various business types and integrated data sources to ensure consistency and reliability. Starting from 2024, the Group has begun using the established data management platform to collect ESG data, enabling key production data to be directly extracted from the production management system and further enhancing the accuracy and quality of ESG data.

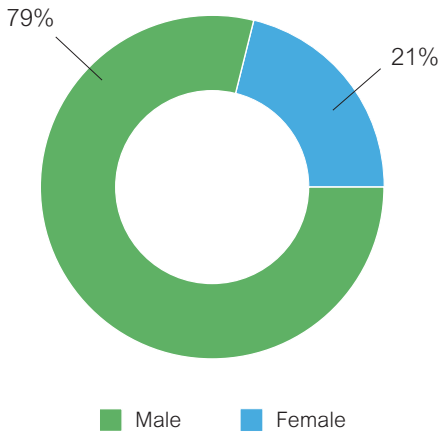
EMPLOYEE DEVELOPMENT

The Group consistently upholds the principle of "people-oriented" values, striving to create a diverse, harmonious, friendly, and fair working environment that ensures employees can work in a positive and supportive atmosphere. We place great importance on employee welfare and respect the race, nationality, religious beliefs, disabilities, and gender of all employees, ensuring that everyone receives equal and impartial treatment. The Group firmly believes that a culture of recognising, valuing, respecting, and utilising talent can unlock employees' potential and promote mutual growth between employees and the organisation. To this end, we provide professional trainings and career development opportunities, offering employees a platform to fully realise their potential.

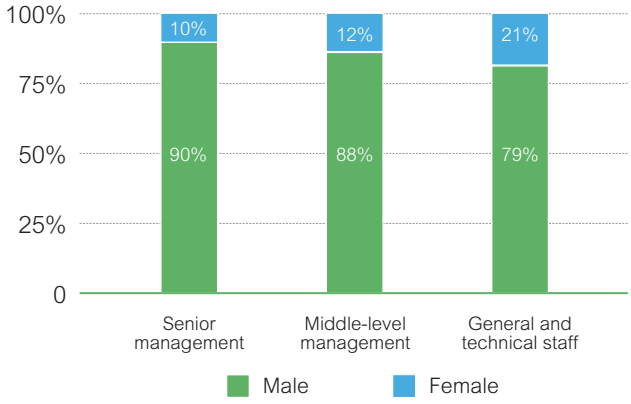
Employee Data Profile

As of 31 December 2024, the Group had a total of 3,337 employees.

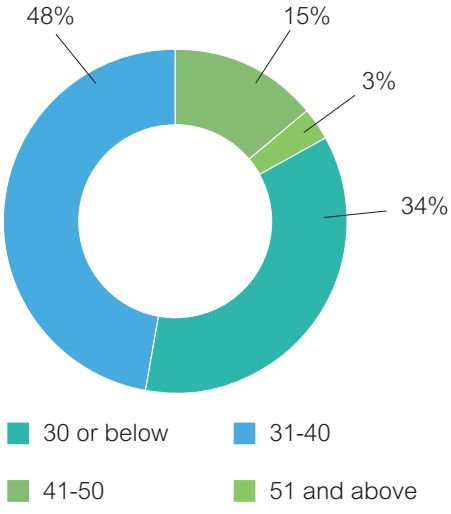
By Gender



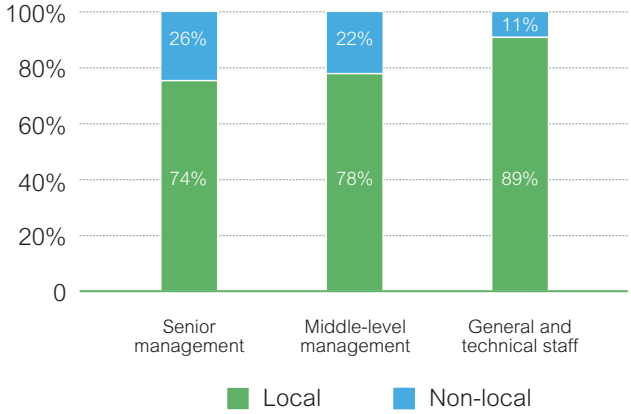
Male to Female Ratios by Employee Ranking



By Age



By Region



Talent Strategy

Talent Recruitment and Retention

The Group recognises that talent is the core driving force behind corporate development. As such, the Group implements the talent strategy through two channels: external recruitment and internal development, continuously strengthening our team.

For external recruitment, the Group collaborates with multiple recruitment agencies to attract talent from various fields. By leveraging methods such as social recruitment, talent selection fairs, and campus recruitment, we aim to identify the most outstanding candidates. Furthermore, to promote economic and employment growth in remote areas, the Group prioritises hiring local talent in project development regions, thereby increasing the localisation rate of employees in project companies.

To nurture and retain high-quality talent and ensure workforce stability, we actively build a talent reserve database and have established the *Administrative Measures for Back-up Cadre Management*, which define talent qualifications and training plans to further enhance professional capabilities. Additionally, we have formulated the *Measures for Financial Personnel Management and Reserve Management* to strengthen the cultivation and management of financial talent. When selecting and employing individuals, we focus on the personnel from the talent pool, ensuring the selection of outstanding candidates.

During the Reporting Period, in response to the parent company CEEGL's Green Wings Programme, the Group participated for the first time in recruiting university students as summer interns. This initiative provided students with valuable learning opportunities, fulfilled social responsibilities, and demonstrated the Everbright Group's business and public service ethos as a Hong Kong-based enterprise.

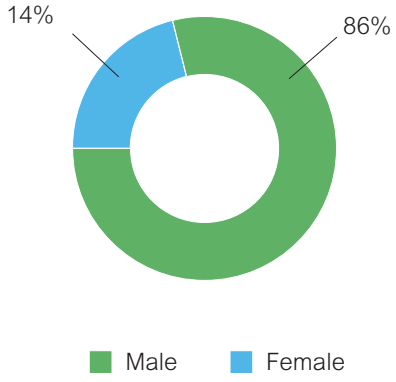
Intern: "During my two-month internship in the Financial Management Department, I gained exposure to and participated in a variety of practical tasks, including preparing interim reports, handling tax matters, issuing medium-term notes, and managing daily financial operations. I also had the opportunity to visit CEEGL's flagship project: the Environmental Energy Park located in Boluo County. This modern waste-to-energy facility, operating efficiency and with high standards amidst fresh air, birdsong, and blooming flowers, exemplifies the Group's leading role in China's environmental protection industry. The visit deepened my understanding of the critical role of advanced waste recycling in promoting environmental, social, and sustainable development.This internship broadened my perspective on the environmental energy industry, its market landscape, and the potential career opportunities available to graduates in this field. I feel truly honoured to have had this valuable learning experience".

During the Reporting Period, the Group conducted a total of 1 open selection processes and 31 democratic recommendation sessions, resulting in the promotion and appointment of 31 cadres.

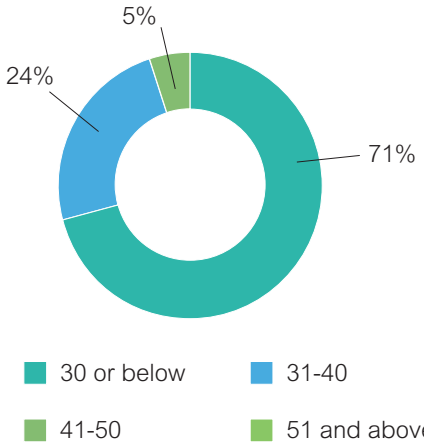
We continuously streamline talent introduction channels and improve talent development and growth mechanisms, effectively enhancing employee retention rates and organisational capabilities. A flexible, diverse, and multi-tiered career development pathway has been established for employees, creating a broad platform for career advancement. Additionally, during the Reporting Period, we optimised the *Measures for Employee Recruitment and Hiring Management* to further standardise the processes of public recruitment and hiring. The Group also conducted 224 rounds of open position selection within the system, recruiting approximately 6 personnel. Internal candidates filled 2% of vacant positions, effectively optimising the Group's talent structure. At the same time, the Group actively improved the mechanism for cadre promotion and demotion.

2024 Total Number of New Employees: 285

By Gender



By Age



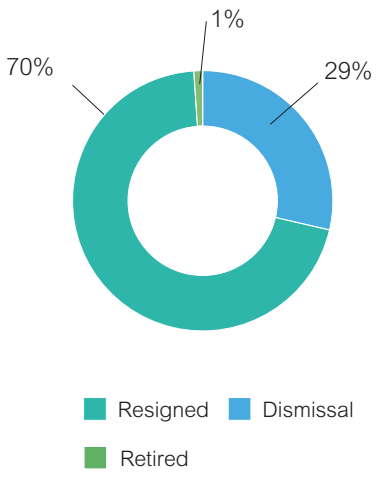
We understand that cultivating talent is a long-term process. As such, we annually assess the number of employees approaching retirement eligibility to effectively adjust our human resources planning. During the Reporting Period, we issued the *Employee Retirement Handling Guide* to assist employees nearing retirement in clarifying retirement-related matters and procedures. The Group provides comprehensive retirement benefits to ensure that employees' post-retirement lives are well-planned and protected. Furthermore, the Group has formulated the *Regulations on the Handover of Cadres on Resignation*, ensuring that the handover process for departing cadres is standardised and orderly, thereby safeguarding the Company's stability and continuity.

Percentage of Employees Eligible for Retirement in 5 and 10 Years

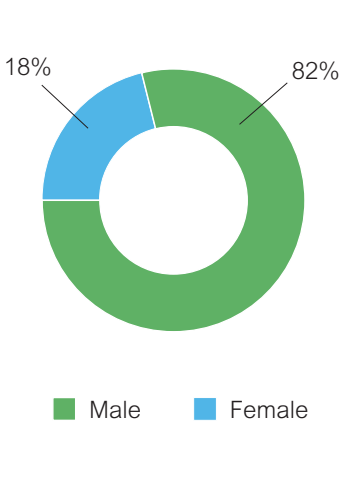
Employee Ranking	In 5 years	In 10 years
Senior management	19%	18%
Middle-level management	39%	42%
General and technical staff	42%	40%

2024 Total Number of Employee Turnover: 488

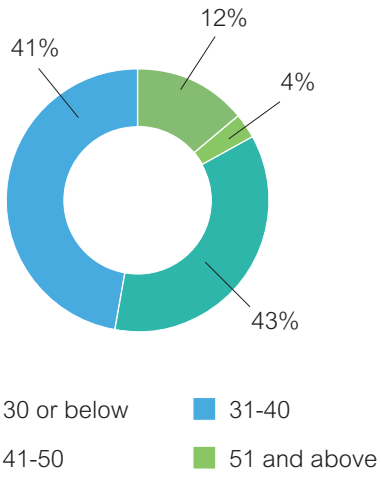
By Type



By Gender

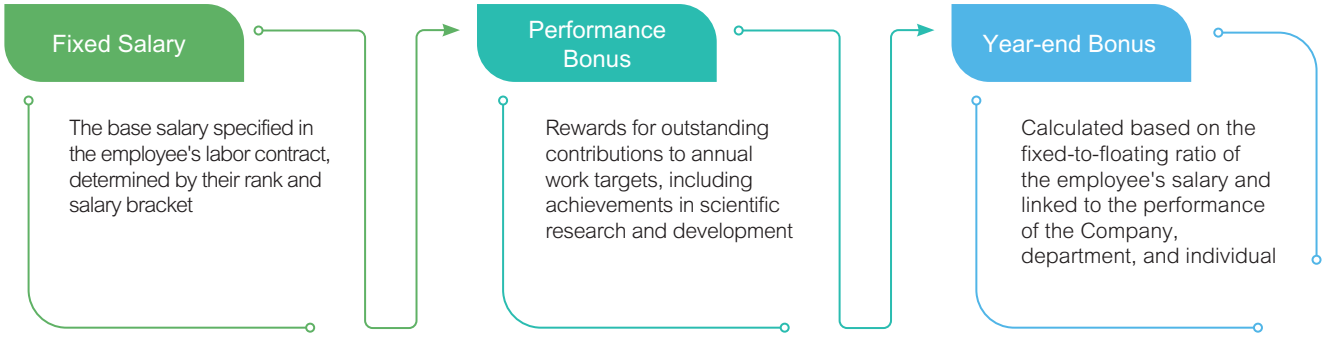


By Age



Remuneration Regime

The Group has established the *Remuneration Package Management System*, offering employees a remuneration structure consisting of "Fixed Salary + Performance Bonus + Year-end Bonus", and is committed to developing a competitive remuneration system. Employee remuneration is composed of two main components: fixed salary and performance bonus. The Group provides mid-market standard remuneration for similar positions, referencing industry norms and considering factors such as qualifications, experience, and performance to determine employees' starting salaries. To align effectively with the human resources market, the Group regularly consults independent professional advisors or commissions independent consultants to prepare market remuneration reports. Based on changes in labour market trends, the Group conducts regular reviews, evaluations, and adjustments to the existing remuneration structure to maintain alignment with market standards. This policy applies to all employees, including directors and independent non-executive directors. During the Reporting Period, the Group conducted a comprehensive review and made appropriate adjustments to employee remuneration packages.



Employee Performance Appraisal and Promotion Mechanism

The Group has implemented a comprehensive and measurable performance appraisal system to improve employees' work quality, competitiveness, and motivation. Through annual evaluations and regular one-on-one discussions, managers deliver fair assessments of performance and provide constructive feedback alongside career development advice, fostering talent growth and supporting the Group's sustainable development.

Under the Group's performance appraisal system, we conduct multi-dimensional performance evaluations annually for all departments and their employees. During the Reporting Period, ESG-related indicators were progressively incorporated into departmental performance criteria. These indicators include, but are not limited to, ESG data quality, ESG risk management, green finance, and the absence of Level 3 or above environmental pollution incidents. The appraisal process is managed by the appraisal working group, which is responsible for formulating the annual appraisal plan and organising and coordinating its implementation. When assessing departments, the focus is on evaluating their performance in fulfilling their functions, with particular emphasis on work achievements. Evaluations are based on annual targets set at the start of the year in line with the Company's strategic objectives and are carried out across 5 dimensions: strategic contribution, work quality, work effectiveness, professionalism, and dedication.

The employee appraisal process is designed with different weightings based on job levels to ensure fairness and accuracy in evaluations. To align the Group's operations with social and corporate ethical standards, employees' ethical conduct (including personal and business ethics) is also considered in performance evaluations. The appraisal covers both departmental overall performance and individual comprehensive performance. Individual performance is assessed across 5 aspects: morality, competence, diligence, performance and integrity. The evaluation process takes a holistic approach, combining the completion of departmental goals with employees' daily work performance. Both departments and employees are evaluated comprehensively. In line with the Group's business nature, a 360-degree performance appraisal method is employed. An employee's final evaluation score is determined based on their self-assessment report and scored collaboratively by their direct supervisor, subordinates, and colleagues. This system not only promotes efficient departmental operations but also supports employees' professional development and overall contribution to the Group. The results of the employee performance appraisal serve as the primary reference for assessing job competency, salary adjustments, and promotions. Employees are rewarded and given promotion opportunities according to their performance outcomes.

In the middle of each year, managers at all levels are required to engage in routine performance discussions with their subordinates, providing feedback and guidance on progress toward performance objectives. If an employee's performance falls short of expectations, a root cause analysis will be conducted, and a tailored improvement plan will be developed. At the end of each year, evaluators and employees engage in two-way discussions on evaluation results, covering achievements, challenges, and areas for improvement. Following this, both parties will complete the Performance Communication Form, which will then be submitted to the Human Resources Department for documentation. The Group has also implemented a performance appeals mechanism. If an employee disagrees with their evaluation results, they are entitled to submit an appeal. The appraisal working group will investigate the matter thoroughly and provide a resolution to address the concern.

During the Reporting Period, the Group issued *Management Measures for Headquarters Professional Personnel (Trial)*, classifying headquarters roles into two tiers: department-level and employee-level — with seven defined ranks. The measures outlined clear requirements, procedures, and exit mechanisms for promotions, enhancing employee motivation and unlocking potential.

In talent development, the Group revised the *Administrative Measures for Back-up Cadre Management* to refine the talent strategy and encourage performance improvement. Selection criteria for reserve cadres include work experience, expertise, knowledge, and age, with targeted classification and training to maintain a balanced reserve pool. By developing outstanding candidates, the Group aims to foster sustainable growth.

The Group conducted the reserve cadre selection process during the year, categorising candidates into 3 groups: principal, deputy, and assistant positions at headquarters; principal and deputy roles in business centres; and principal, deputy, and assistant roles in project companies. Department heads nominated eligible candidates, following procedures such as nomination and public evaluation. A total of 82 individuals were selected for the reserve pool.

In addition, the Group issued the *Implementation Rules for the Mechanism of Promotion and Demotion of Management Cadres* during the year, actively improving the mechanism to ensure the "Promotion and Demotion of cadres". The aim is to establish a clear standard to effectively address issues such as management cadres failing to perform their duties, not fulfilling responsibilities, or being unfit for their roles. "Promotion" means to provide broad upward career opportunities for individuals who are capable, responsible, and deliver strong performance. "Demotion" on the other hand, reflects a serious attitude toward achieving objectives. For management personnel who underperform or are unable to fulfill their roles, the Company will consider adjusting their positions to strengthen the supervision of managerial performance. During the Reporting Period, the Group completed the rotation of 3 key project company leaders to facilitate the dynamic management of talent.

Employee Rights Protection

Human Rights and Ethics

The parent company, CEEGL, has established a *Human Rights Policy* to support global human rights standards and guidelines, including the *Universal Declaration of Human Rights*, the *UN Guiding Principles on Business and Human Rights*, the *UN Global Compact*, and relevant International Labour Organisation conventions. As a core segment of the parent company, the Group implements these standards and guidelines accordingly. The Group maintains a zero-tolerance policy toward child labour, forced labour, and human trafficking, strictly adhering to the *Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, the Law on the Protection of Minors*, and the *Provisions on the Prohibition of Using Child Labour*, among other laws and regulations. To prevent violations, we have strengthened the vetting of information during the recruitment and hiring. Applicants are required to complete position application forms truthfully, ensuring that all personal information provided is accurate. Relevant departments will rigorously examine and verify applicants' credentials and personal information before employment is confirmed. If any illegal practices are identified, the Group will take immediate and lawful action without leniency.

The Group places a strong emphasis on employees' ethical conduct and professional behaviour. All employees are required to comply with the *Staff Handbook* and *the Human Resources Management System*. These guidelines include provisions to prevent conflicts of interest, prohibit discrimination and sexual harassment, and strictly forbid bribery, extortion, fraud, and money laundering. To ensure alignment with social and corporate ethical standards, employees' ethical conduct is also incorporated into performance evaluations.

During the Reporting Period, the Group was **not subject** to any incidents or claims alleging violation of human rights and in connection with labour measure standards and laws and regulations, **nor involved** in any employment of child labour or forced/compulsory labour.

Equality and Diversity

Everbright Greentech is committed to creating a diverse, inclusive, and respectful workplace for all employees, ensuring equal treatment regardless of age, gender, family status, disability, race, ethnicity, nationality, religion, or political views. The Group maintains zero tolerance for any form of discrimination, harassment, bullying, or other violations of regulations. The Group is dedicated to maintaining gender diversity and equality in the workforce, ensuring equal pay for equal work and eliminating any gender pay gaps. We provide equal opportunities for employees of all genders and races and actively promote diversity policies, including gender diversity. Initiatives include targeted training programmes for female employees, clear career path planning, professional skill development, and the creation of supportive systems to help women address workplace challenges such as those related to maternity. The Group advocates for equal opportunities, ensuring a fair and competitive environment for all employees. We firmly believe that diversity is essential to corporate success and are committed to attracting talent from diverse genders, races, cultures, and professional backgrounds while fostering a harmonious and inclusive workplace.

We highly value the contributions of our female employees and are committed to providing equal opportunities in training, compensation, benefits, and career development to support their comprehensive growth and advancement. In response to President Xi Jinping's call to "steadfastly follow the path of women's development with Chinese characteristics, inspire women to uphold self-respect, self-confidence, self-reliance, and strength, and contribute to Chinese modernisation with their wisdom and power", we aim to increase the proportion of female employees within the Group.

We recognise the unique challenges female employees face in balancing career and family responsibilities, particularly when considering job roles. Given the nature of the Group's environmental business, key positions in operations, production, and engineering require significant physical strength, energy, and rotational shifts. Furthermore, most of the Group's projects are located in semi-urban and rural areas in third- and fourth-tier cities. These factors have temporarily limited our ability to attract more female employees, making the goal of increasing the female employee ratio a persistent challenge for the Group.

During the Reporting Period, the Group conducted a comprehensive review and revision of the diversity target based on the actual situation and industry development trends over the past few years. We are committed to maintaining a female employee ratio of no less than 15% and actively promoting gender diversity at the board and senior management levels. We encourage and support more women to assume leadership roles, including board membership and senior management positions, to enhance the breadth and quality of decision-making and contribute to the Group's sustainable development.

Looking ahead, the Group will continue to deepen its practices in gender equality and diversity, particularly by exploring and implementing measures to attract more female talent. For instance, we are considering introducing female-focused benefits, to better demonstrate our care for the physical and mental well-being of female employees. Additionally, we will strengthen internal management systems to ensure fair opportunities for female employees in recruitment, remuneration, and promotion. We will also provide more tailored career development support to help them achieve significant progress in their professional fields.

International Women's Day Flower Arranging Activity in Rugao Biomass Project

International Women's Day Appreciation Activity in Hong Kong Headquarters

Employee Care and Welfare

Corporate Culture

To ensure that employee behaviour aligns with the values of the Group and to strengthen employee cohesion and their sense of belonging, the Group actively promotes corporate culture. The Group shoulders the mission of "Devoted to Ecology and Environment for a Beautiful China" and adheres to the values of "Creating Investment Value and Undertaking Social Responsibility". The Group is dedicated to become a clean energy operator with new-quality productivity and core competitiveness. Through the promotion of corporate culture, the Group embeds its core business philosophy in the hearts of employees, ensuring alignment in thoughts and goals. This approach fosters a team of talent who understand the rules, take responsibility, and pursue dreams, ultimately achieving the dual enhancement of personal and corporate value.

Employee Welfare

To enhance employees' sense of belonging and satisfaction, and to support their holistic development in both work and life, employee benefit plans play a crucial role. The Group continuously refines welfare policies, adopts a people-centred management approach, ensures that all benefits comply with local laws and regulations, and offers competitive packages that comprehensively address employees' needs.

The Group provides a range of benefits, including life insurance, critical illness cover, medical care, disability and sickness protection, maternity leave, and paternity leave, ensuring comprehensive health protection throughout employees' life cycles. Additionally, the Group offers timely benefits such as heatstroke prevention and cooling allowances, as well as heating allowances, to employees in mainland regions.

Medical Protection

With the continuous rise in living standards in China, medical expenses have also been increasing. To enhance the medical protection system for employees and reduce their financial burden, the Group has implemented a Healthcare Protection Entrusted Management Scheme and a Long-term Supplemental Medical Insurance Scheme. These schemes extend coverage not only to employees but also to their spouses, children, parents, and parents-in-law. Additionally, the Long-term Supplemental Medical Insurance Scheme provides mainland employees with supplementary coverage for mild illnesses, critical illnesses, and hospitalisation expenses.

The Group has also introduced a Supplementary Medical Protection Scheme tailored for employees in Hong Kong. This scheme offers additional subsidies for eye care and other personal healthcare needs, aiming to alleviate the financial pressures caused by rising medical costs.

Retirement Protection

The Group places significant emphasis on retirement protection for employees. Each year, the Group calculates the number of employees eligible for retirement and arranges retirement schemes in compliance with relevant laws and regulations. In addition, the Group provides employees with enhanced retirement protection, including corporate annuities and voluntary contributions at rates exceeding statutory requirements, offering support for the retirement life of employees in Mainland China and Hong Kong.

To further alleviate the burden of medical expenses after retirement, the Group offers a life-term medical insurance plan to mainland employees. This ensures that employees continue to benefit from long-term medical insurance coverage post-retirement, providing essential support for their healthcare costs after leaving the workforce.

2024 Parental Leave Statistics

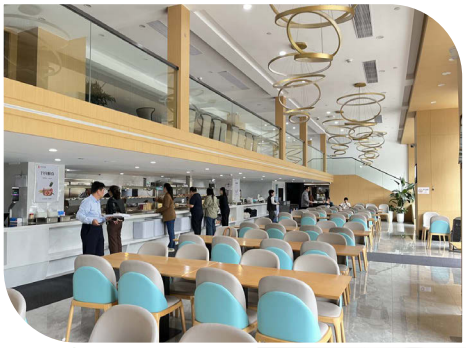
Number of Employees Applying for Parental Leaves	
Male	Female
81	52

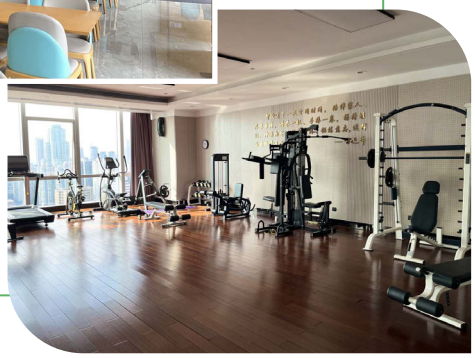
Number of Employees Returning to Work After Parental Leave and Return to Work Rate	
Male	Female
74 (91.36%)	38 (73.08%)

Caring for Employees' Physical and Mental Health

The Group places great emphasis on the physical and mental health of its employees, committed to providing a safe working environment and ensuring comprehensive protection for their work and life, while enriching their cultural and spiritual well-being. To deeply implement the people-oriented approach, the Group has established the *Measures for the Management of Safe Production, Employees' Health and Accidental Injury Protection Fund*. This initiative further enhances the Group's operational safety, employee health, and accidental injury coverage. For detailed information on occupational safety and health measures, please refer to the "Safe Production" chapter on pages 42 to 45 of this report.

The Group has added greenery to our offices to improve environmental quality, reduce air pollutants and enhance the working environment. We also provide our employees with coffee, black tea, biscuits, and other refreshments, employees can replenish energy at any time during work and maintain their health.





Caring for employees' physical health

- Health information sharing
- Annual physical examination (covers all employees)
- Occupational disease prevention inspection (covering all relevant employees)
- Breast cancer detection and treatment training (covering all female employees)
- Other online health lectures

Caring for employees' mental health

Everbright Master Forum "Care for Physical and Mental Health, Achieve a Better Life" and "Mental Health and Psychological Adjustment for Leaders" live courses (covering all employees)

Healthy and Comfortable Workplace

The Group has equipped its Shenzhen headquarters and project companies with gyms, fitness equipment, and staff canteens. Additionally, where conditions permit, sports facilities such as basketball courts have been built at project sites. These efforts aim to create a comfortable working atmosphere and foster a dynamic and comfortable workplace environment for employees.

Caring for Female Employees

The Group places great emphasis on protecting the rights and interests of female employees and adheres to the *Special Provisions on Labour Protection for Female Employees*. Efforts are continuously made to optimise the working environment for women. We ensure that female employees are entitled to benefits such as breastfeeding leave, maternity leave, prenatal examination leave, International Women's Day leave, and parental leave. In addition, nursing rooms have been established at the Group's headquarters and project companies to provide convenience for breastfeeding female employees. The Group fully supports mainland female employees in taking breastfeeding leave, allowing them to adequately care for infants.

Team Building Activities

The Group advocates for a healthy work-life balance and encourages employees to actively participate in activities that promote both their physical and mental well-being. At the headquarters level, in collaboration with the Everbright Environment Labour Union, we organise weekly activities such as haircuts, fitness sessions, badminton, basketball, football, and swimming, all of which are open for employees to join. At the project level, our project companies host annual activities such as sports meets, hiking, book clubs, speech competitions, basketball tournaments, and birthday celebrations. These activities not only promote employees' mental health by allowing them to relax and relieve work-related stress but also foster harmonious relationships among colleagues. Furthermore, these initiatives have been found to enhance employee engagement, thereby creating a mutually beneficial outcome for both the company and its employees.

▲ Dr. Zhu Fugang, CEO of the Group, and a group of Shenzhen headquarters staff participated in the 2024 "Chasing the Sun, Walking with the Light" Autumn Family Day event

▲ Shayang Biomass and Waste-to-energy Integrated Project's Spring Outdoor Outing Activities

▲ Hong Kong Headquarters Christmas Tree Making Workshop

"Happy Company 5+" logos awarded by Chinese Manufacturers' Association of Hong Kong and Promoting Happiness Index Foundation for seven consecutive years

The Group was received the "Good Employer Charter" certificate issued by the Labor Department of HKSAR in 2024

The Group strictly complies with the *Employees' Paid Annual Leave Ordinance* and relevant Hong Kong labour laws. Employees are entitled to statutory public holidays and other leave benefits, which are safeguarded through policies such as the *Staff Handbook* and the *Human Resources Management Policy*. These policies ensure employees' rights to annual leave, personal leave, sick leave, marriage leave, public leave, maternity leave, bereavement leave, and work-related injury leave. To maintain employees' physical and mental well-being, the Group enforces a limit on monthly overtime hours and provides overtime pay or compensatory leave for overtime work within the prescribed limits.

Opinions and Communication

The Group values employees and maintains close interaction with them. To expand and enhance two-way communication channels while fostering greater employee engagement, we also organises periodic heart-to-heart discussions in addition to regular meetings. These activities help identify workplace challenges, analyse underlying issues, and provide clear guidance for improvement. By fostering mutual trust, this approach strengthens communication, builds team cohesion, and drives productivity. Employees are also encouraged to share their opinions and suggestions through the "Voice from the Frontline" platform in the automated office system. This transparent platform enables the Group to take employees' feedback into account when reviewing policies and procedures, helping to strike a better balance between corporate and employee interests. Under no circumstances will the Group tolerate discrimination, harassment, defamation, or any behaviour targeting employees. If employees experience unfair or unreasonable treatment that cannot be resolved through the aforementioned communication channels, they are encouraged to report the matter using the whistleblowing procedures outlined on page 18 of this Report. The Group is committed to addressing such complaints in a fair and impartial manner.

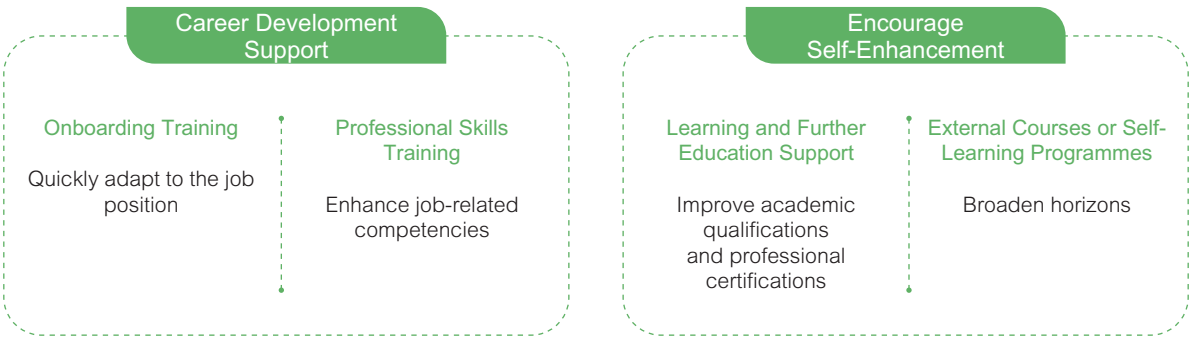
During the Reporting Period, the Chairman of the Board of Everbright Greentech, Mr Wang Silian, conducted in-depth cordial discussions of unity among employees, fostering a sense of "one family, one kin, united hearts, harmonised emotions" and emphasising the need for mutual appreciation and trust, advocating a "back-to-back" culture of collaboration. To achieve this, we strengthened integration between Hong Kong and mainland employees to facilitate talent exchange and mutual understanding and highlighted the importance of leveraging each employee's professional value, activating engagement and creativity through grassroots feedback initiatives, and building an efficient, cohesive, and energetic team. This would create a supportive and positive team culture, laying a solid foundation for the Group's growth. The discussions were lively, with employee representatives offering constructive suggestions on cost reduction, digital transformation, corporate culture, and international market expansion, based on their departmental roles and personal development. The Chairman listened attentively to each suggestion and provided detailed responses to ensure employees' voices were heard and valued.

No complaints of discrimination or harassment against employees were received during the Reporting Period.

Enhancing Employee Potential

The Group fully recognises the importance of employee training in enhancing professional capabilities. To support this, the Group has established policies such as Training Subsidies, *Management Measures for Assessments and Appointments in relation to Specialised Technical Positions*, and *Measures for the Administration of Professional Qualifications and Specialised Technical Titles*. These policies, along with provisions for examination leave, encourage employees to pursue continuous education, obtain professional qualifications or memberships, and participate in external training relevant to their roles, thereby enhancing their personal value. The implementation of these policies has significantly motivated employees to engage in further learning and has played a pivotal role in fostering a learning-oriented corporate culture.

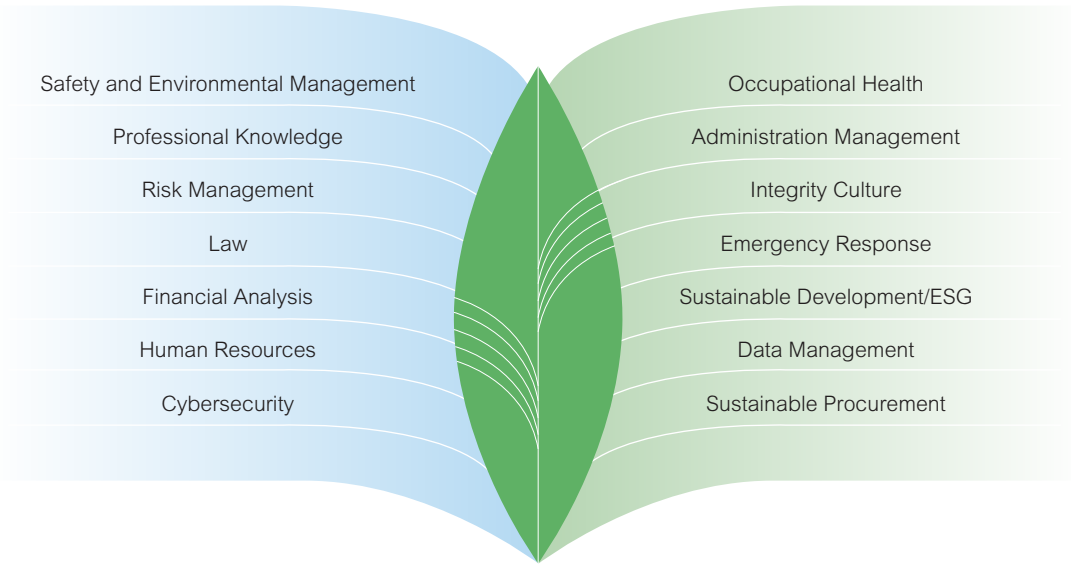
Training and Development Framework



During the Reporting Period, the Group enhanced the management of employee training through regular human resources inspections. The Administration and Human Resources Department conducted detailed reviews of training plans, implementation strategies, and attendance records across project companies. This process reinforced the importance of training at the project level and improved the completeness of training procedures and records.

As a professional environmental services provider closely tied to ESG matters, such as waste and carbon reduction, the Group places great emphasis on advancing and implementing environmental initiatives. Most members of the Group's Sustainability Working Group hold ESG related qualifications or degrees in fields such as environmental engineering, safety management, environmental technology R&D, and risk control, reflecting their extensive expertise and experience. The Group is committed to providing employees with role-specific training and adequate resources to standardise training processes and improve training outcomes. This ensures the team possesses the necessary professional knowledge and skills to meet current challenges. During the Reporting Period, the Group issued the *Notice on Standardising Sustainable Development Training Work*, aiming to drive high-quality corporate development and enhance sustainability. This initiative further strengthened training management, improved the quality of information disclosure, and provided employees with diverse training opportunities across various fields to enhance their skills and unlock their potential.

The training topics provided by the Group include but are not limited to:



2024 Employee Training Profile

Employee Training Rate	Total Employee Training Hours	Investment in Trainings
100 %	92,893 hours	HKD 826,026

Safety and Environmental Management Aspect: As of 31 December 2024, the Group employed 183 certified safety engineers, 1 certified environmental engineer, and 1 certified fire engineer. These certifications not only improved employees' skills and income but also enhanced the Group's safety and environmental management standards. Encouraged by these initiatives, more employees are expected to pursue self-enhancement, with the Group continuing to support their further education and training. During the Reporting Period, the Group organised the 2024 Safety and Environmental Management Qualification Certification Examination. Employees must achieve a score of 75 or above to pass. while those who failed were required to retake the exam. Successful candidates were awarded certificates issued by the Group.

ESG Aspect: The Group is committed to enhancing ESG and carbon neutrality training for all employees, including Board members. In addition to providing irregular ESG updates, we invite industry experts annually to brief the Board on ESG reports and industry trends. During the Reporting Period, we organised IFRS sustainability disclosure and climate risk management training for management and sustainability teams through online courses, expert lectures, and internal sharing sessions. These initiatives help employees understand and respond to climate risks, ensuring timely and effective decision-making. We also conducted ESG regulatory training across departments, with the Sustainability Committee Chairman outlining strategies and responsibilities to support practical climate action. Additionally, 68 financial management personnel received training on corporate sustainability disclosure standards, introducing them to climate-related issues and reporting requirements to prepare for future climate-related financial disclosures. To stay aligned with market policies and disclosure requirements, all employees participated in a Group-wide training programme organised by the parent company, CEEGL. This session, led by external experts, provided insights into the latest ESG disclosure requirements issued by the Hong Kong Stock Exchange. The training aimed to enhance employees' ESG awareness and ensure proactive preparation for upcoming ESG disclosure obligations.

Training Target / Commitment

By 2030, ensure an average annual training duration of no less than 23 hours per employee.

2024 Employee Training Data

Average Training Hours by Gender

Male
30.77 hours

Female
16.51 hours

Average Training Hours by Employee Type

Senior Management
35.02 hours

Middle-level Management
17.24 hours

General and Technical Staff
29.81 hours

Human Resources Training

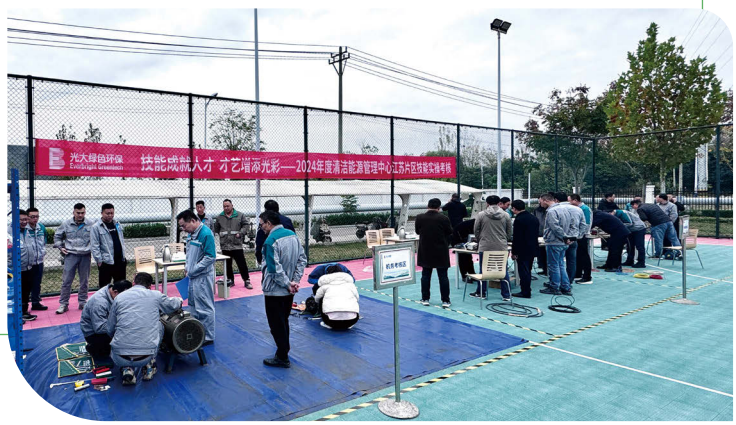
In September 2024, the Group conducted an annual human resource training. During the training session, our internal training team provided detailed explanations on key aspects of HR management, including recruitment, attendance management, compensation and welfare, and performance evaluation. External experts were invited to deliver in-depth insights into HR regulations and labour laws. Additionally, the Integrity Management Department conducted integrity risk and prevention training, emphasising strict compliance with laws, regulations, and company policies in all HR processes to prevent misconduct and corruption.

Night School for Employee

The Zhongjiang Biomass and Waste-to-energy Integrated Project launched an employee night school during leisure hours to enrich employees' personal lives. This platform provides opportunities for learning and interaction while enhancing employees' knowledge and skills through diverse training sessions and lectures, fostering personal growth and career development. The night school also serves as a connection hub for employees to share experiences, support one another, and strengthen team cohesion.

Practical Skills Assessment

In November 2024, the Group's Clean Energy Management Centre conducted practical skills assessments for key technical staff in Jiangsu, Anhui, and the western regions. The assessments focused on mechanical, thermal control, and electrical specialisations, evaluating both practical skills and professional knowledge to assess employees' technical proficiency. This "learning-through-assessment" approach not only enhanced employees' technical skills and problem-solving abilities but also facilitated technical exchange and learning between projects. It supports the development of multi-skilled talent and craftspeople, ensuring safe project operations while promoting employees' personal growth and career advancement.



Reserve Cadre Training Programme

The Group's Clean Energy Management Centre held the first 2024 Reserve Cadre Training Programme in Chuzhou, Anhui, with nearly 40 reserve cadres participating. The two-day training featured in-depth discussions led by headquarters, business management centre, project management personnel, as well as technical experts. Topics included government and external relations coordination, basic financial knowledge for operations, self-management and enhancement biomass fuel full-process management, near-zero carbon industrial park integrated energy solutions, unit production operations and technical management, key safety and environmental management practices, updates on relevant laws and regulations, and how to effectively assist project leaders.

Co-Development with the Community

The Group is committed not only to the career development of its employees but also to improving the communities they depend on. We strive to create safe, sustainable, and green living environments for local residents. During the Reporting Period, employees actively participated in community development initiatives, including community care and environmental education, making tangible contributions to society. By taking on social responsibilities and working with the community, the Group has achieved a "triple-win" scenario, fostering mutual growth and prosperity for the company, the community, and its employees.

The Group prioritises harmonious relationships with local communities and Indigenous Peoples. During project development, measures are taken to mitigate and minimise impacts on local communities. We respect Indigenous rights, maintain open and constructive communication, and promote local economic development through community engagement, local employment and training, supply chain localisation, and the creation of clean and safe environments. These efforts have built trust and mutually beneficial partnerships with the communities we operate in.

Rural Revitalisation

The Group actively promotes village-enterprise collaboration, implementing targeted assistance schemes through business development. We prioritise providing job opportunities for local residents, enhancing environmental conditions, and driving industrial upgrades in surrounding regions. Through our biomass projects, we address pollution caused by the burning of agricultural and forestry residues while establishing a collection, storage, and transportation system for agricultural waste. This initiative creates jobs and additional income for local farmers, aligning with the national rural revitalisation strategy. With the commissioning of projects and the development of the biomass supply chain, the Group has implemented a strategy that boosts farmers' income, drives corporate growth, and stimulates rural economies. These efforts directly and indirectly improve the quality of life for local residents, supporting sustainable rural development.

Action Framework and Implementation Strategy

01

Promote Village-Enterprise Collaboration for Mutual Growth

Actively collaborate with local communities to drive regional economic growth through business development, achieving shared prosperity for the company and the community.

02

Provide Employment Opportunities to Foster Social Inclusion

Prioritise hiring local residents, offering stable jobs and income to help lift them out of poverty while promoting social harmony and integration.

03

Integrate Biomass Business with Environmental Protection

Address pollution caused by the burning of agricultural and forestry residues through biomass energy utilisation, advancing sustainable development via environmental protection and energy reuse.

04

Continuous Monitoring and Evaluation

Regularly review and adjust projects to ensure efficient resource utilisation, support poverty alleviation for local residents, and optimise assistance strategies based on actual needs.

In 2024, our integrated biomass utilisation projects

Directly and/or indirectly created
43,875 jobs

Increased farmers' income by approximately
RMB 2.503 billion

Benefited over
4.956 million farmers

Straw Collection: Supporting Environmental Protection and Income Growth

Sheqi Biomass Project actively promoted straw collection during the summer harvest to facilitate resource utilisation and support local green development. The project established a multi-stakeholder collaboration mechanism involving local governments, village committees, and straw brokers to advance comprehensive straw utilisation. Through strengthened policy advocacy, the project encouraged local residents to collect and sell biomass fuel, boosting farmers' incomes. A green channel was implemented to improve straw delivery efficiency, alongside optimised financial payment processes to ensure farmers receive payments promptly. This initiative exemplifies the project's commitment to working hand-in-hand with the local community for shared development and mutual prosperity.

Environmental Education and Awareness

As a pioneer in the environmental industry, Everbright Greentech regards the promotion of environmental awareness as an inherent responsibility. The Group advanced pollution prevention initiatives, focusing on the protection of blue skies, clean water, and uncontaminated soil. Efforts were directed towards the coordinated control of pollutants, the elimination of heavily polluted days, and the fulfilment of social obligations to drive green development. Adhereing to the corporate vision of "Creating Better Investment Value and Undertaking More Social Responsibility", the Group strives to empower society through green technologies and deliver value for stakeholders via robust development.

To further promote environmental education, the Group implemented measures to increase public awareness and participation. Facility tours were expanded through online platforms, such as live-streamed events, to maximise public engagement. Acting in alignment with National Science and Technology Week and World Environment Day, the Group organised campaigns to highlight contributions towards pollution control and ecological conservation, focusing on the "Dual Carbon" strategy. These initiatives effectively communicated the Group's commitment to sustainable development while fostering public collaboration in building a beautiful China.

During the Reporting Period, the Group supported "Hong Kong Green Day" for the sixth consecutive year, hosting activities in June to enhance awareness across sectors. Furthermore, we encouraged our employees to participate in the Green Rewards ESG Business Initiative, which encouraged corporate participation in waste sorting and recycling. Points collected through the Environmental Protection Department's community recycling facilities were converted into essential goods, such as rice, which were donated to subdivided flat residents via the "Community Living Room" programme. This initiative not only advanced environmental objectives but also contributed to charitable causes, exemplifying the Group's commitment to social responsibility.

In 2024, the Group has a cumulative total of 8 science education bases.

Promoting Green Education

In April 2024, one of the Group's Science Education Bases, the Zhecheng Biomass and Waste-to-energy Integrated Project invited students from Zhangxiao Village Primary School in Dawu Township for a visit. Through exhibition hall presentations, a tour of the central control room, and an environmental knowledge Q&A session, the students gained a clearer understanding of how waste can be "transformed into treasure". This experience planted the seeds of environmental awareness in their minds, inspiring them to become future guardians of the planet.

In May 2024, Weihai Biomass Project collaborated with Gejia Primary School in Wendeng District to host an environmental facility open day. The event allowed students to gain first-hand insights into the biomass power generation process, deepening their understanding of biomass energy and further enhancing their environmental awareness.

Social Responsibility and Charity

The Group actively engages in social welfare initiatives, steadfastly upholding the principle of "giving back to society what is taken from it".

Recognition as Annual Partner

For the third consecutive year, the Group has been awarded the "Annual Partner" honor by Plan International, recognising our contributions to social welfare, particularly in advancing children's and girls' rights. Through concrete actions, we continue to provide strong support for their growth and development. The Group has long supported Plan International's "Donate a Pencil" Initiative, raising funds to protect girls in developing countries from discrimination, inequality, and violence, while promoting education and better living conditions.

Additionally, the Group organised employees from our Hong Kong headquarters to participate in Plan International's brand-new event, "Save Our Planet, Save Our Girls" Idle Clothing and Accessories Charity Sale, in December 2024. This volunteer initiative aimed to support girls in Bangladesh facing school dropout risks due to extreme weather, with proceeds funding scholarships, learning materials, infrastructure development, and vocational training.

In addition to supporting charitable activities organised by non-profit organisations, the Group also encourages its employees to actively participate in public welfare and charitable initiatives.

◀ "Caring Company" logo awarded by the Hong Kong Council of Social Service for the sixth consecutive year

Volunteering Together, Spreading Warmth in Hong Kong

The Group actively fulfills corporate social responsibility, encouraging employees to engage in community service. During the Reporting Period, we responded proactively to the call of the parent company, CEEGL, by organising employees to participate in various community charity activities hosted by Everbright Group and other enterprises. These activities included distributing towel flowers in the community on Mother's Day to express gratitude and appreciation, celebrating the Mid-Autumn Festival with the public through lantern riddles, and visiting elderly individuals living alone during the Winter Solstice to deliver care packages. Through these initiatives, the Group contributed to promoting the positive image of Chinese enterprises as caring, warm, and responsible, fostering social harmony and inclusivity, and building a better community together.

Spreading Warmth during the Spring Festival

In February 2024, Xiayi Biomass and Waste-to-energy Integrated Project visited Huqiao Township and organised a warmth-spreading initiative themed "Caring for Local Villages and Supporting Vulnerable Groups". During the event, essential supplies such as food and cooking oil were distributed to local elderly residents and impoverished families, with the hope of helping them enjoy a warm and joyful Spring Festival.

HKQAA
HONG KONG QUALITY ASSURANCE AGENCY
香港品質保證局

Verification Statement

Scope and Objective

Hong Kong Quality Assurance Agency ("HKQAA") was commissioned by China Everbright Greentech Limited (hereinafter referred to as "Everbright Greentech") to conduct an independent verification for its sustainability disclosures (the "Selected Disclosures") stated in its Sustainability Report 2024 ("the Report"). The scope of HKQAA's verification covers Selected Disclosures associated to Everbright Greentech's sustainability performance for the period from 1st January 2024 to 31st December 2024.

The objective of this verification is to provide an independent opinion with a reasonable level of assurance on whether the selected disclosures are prepared in accordance with the following reporting criteria:

- the Environmental, Social and Governance Reporting Guide ("ESG Guide") set out in Appendix C2 of the Listing Rules of The Stock Exchange of Hong Kong Limited (version effective from 31 December 2023, which remains applicable to annual reports for financial years commencing before 1 January 2025).

The verification team also review the disclosures in the Report by making reference to the following disclosure frameworks, as the Report has been prepared with references to:

- the Global Reporting Initiative's Sustainability Reporting Standards ("GRI Standards")

Level of Assurance and Methodology

HKQAA's verification procedure has been conducted with reference to the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000") issued by the International Auditing and Assurance Standards Board. The evidence gathering process was designed to obtain a reasonable level of assurance as set out in the ISAE 3000 by using a risk-based approach.

Our verification procedure included but not limited to sampling the sustainability information stated in the Report, e.g. claims and performance data for detail verification; verifying the raw data and supporting information of the selected samples of the sustainability information; interviewing responsible personnel; and checking the internal control mechanism.

Roles and Responsibilities

Everbright Greentech is responsible for the organization's information management system, the development and maintenance of records and reporting procedures in accordance with the system, including the calculation and determination of sustainability information and performance.

HKQAA is responsible for providing an independent verification opinion on the Selected Disclosures provided by Everbright Greentech for the reporting period. The verification was based on the verification scope, objectives and criteria as agreed between Everbright Greentech and HKQAA.

HONG KONG QUALITY ASSURANCE AGENCY
香 港 品 質 保 證 局

Independence

HKQAA did not involve in collecting and calculating data or compiling the reporting contents. Our verification activities were entirely independent and there was no relationship between HKQAA and Everbright Greentech that would affect the impartiality of the verification.

Limitation and Exclusion

The following limitations and exclusions were applied to this verification due to the service scope, nature of verification criteria, and characteristics of the verification methodology.

I. Our verification scope is limited to examining the raw data or information for the selected disclosures, e.g., Claims and Performance Data stated in the Report. The identified sustainability information may be subject to inherent uncertainty because of incomplete scientific and technical knowledge.

II. Evaluating the quality of execution and implementation effectiveness of the sustainability practices, the appropriateness of the assumptions made, and the estimation techniques applied are outside the scope of our verification.

III. The verification of raw data or information is based on a sampling approach and reliance on the Everbright Greentech's representation. As a result, errors or irregularities may occur and remain undetected.

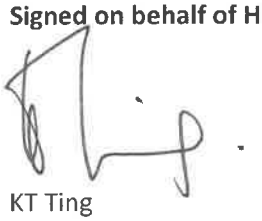
IV. Any information outside the established verification period is excluded.

Conclusion

Based on the evidence obtained and the results of the verification process, it is the opinion of the verification team that, with a reasonable level of assurance, the report has been prepared, in all material respects, in accordance with the ESG Guide set out in Appendix C2 of the Listing Rules of The Stock Exchange of Hong Kong Limited (former version, which remains applicable to annual reports for financial years commencing before 1 January 2025).

In addition, the verification team considered that the Report has been prepared by making reference to the contents or parts of the contents of the GRI Standards.

Signed on behalf of Hong Kong Quality Assurance Agency



KT Ting
Chief Operating Officer
March 2025
Ref: 14949731-VER

HKQAA
HONG KONG QUALITY ASSURANCE AGENCY
香 港 品 質 保 證 局

14949724-OTH

Verification Opinion

Scope and Objectives

Hong Kong Quality Assurance Agency ("HKQAA") has been commissioned by China Everbright Greentech Limited ("CEGL") to conduct an independent verification of the Greenhouse Gases ("GHG") emissions inventory ("Emissions Inventory") for the period 1st January 2024 to 31st December 2024. The aim of this verification is to provide a reasonable assurance on the data consolidated in the Emissions Inventory compiled by CEGL using the operational control approach against the requirements of ISO 14064-1:2018 'Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals'.

Based on the preparation of the "CEGL Summary Table for ISO14064 (The Inventory)" and the corresponding worksheet reports (CEGL_CDM_2024_v2 and CEGL_GHG_2024_v3) by CEGL in accordance with the criteria of ISO 14064-1:2018, an opinion was concluded by the verification team from the verification activities, including:

- Offsite verification with the aid of Information Communication Technology (ICT) of the GHG emission data associated to mobile emissions, electricity consumption as well as GHG emissions from activities of waste treatment facilities and environmental operations; and
- Desk-top review for documentation and supporting evidence.

Methodology

The verification was conducted in accordance with ISO 14064-3: 2019 '*Specification with guidance for the verification and validation of greenhouse gas statements'.* The process included the assessment of:

- reporting boundaries selected;
- quantification methodology and emission factors used;
- integrity of the historical activity data used;
- accuracy and completeness of the GHG calculations; and
- conformance with the requirements of the ISO 14064-1:2018.

Integrity and accuracy of the aggregated data was tested by tracing the sampled data to its sources. The underlying processes for data collection, aggregation, estimation, calculation and internal checking were reviewed and undergone reliability test. Materiality threshold of 5% was adopted for this verification. Qualitative materiality of GHG data reporting requirements such as internal Production Management System were followed. HKQAA verification team did not partake in the GHG data preparation process.

Remarks:
This verification opinion includes page <1> to page <5>

HKQAA
HONG KONG QUALITY ASSURANCE AGENCY
香 港 品 質 保 證 局

14949724-OTH

Conclusion

Total GHG emissions and removals of China Everbright Greentech Limited in 2024:

2024 GHG Emissions and Removals	Tonnes (T) of CO_2 equivalent
Category 1): Direct GHG emissions (excluding anthropogenic biogenic GHG emissions)	**1,643,271.4**
Anthropogenic biogenic GHG emissions	/
Category 1): Direct GHG removals (excluding anthropogenic biogenic GHG removals)	**4,123,717.8**
Anthropogenic biogenic GHG removals	**1,046,957.9**
Indirect GHG emissions	**127,681.4**
Category 2): Imported Energy	**53,683.0**
Category 3): Transportation	**73,998.5**
Category 4): Products used	/
Category 5): Use of products	/
Category 6): Other sources	/
Total (Direct + Indirect Emissions excluding anthropogenic biogenic GHG emissions)	**1,770,952.9**
Total (Direct + Indirect Emissions including anthropogenic biogenic GHG emissions)	**1,770,952.9**
Total (Direct + Indirect Removals excluding anthropogenic biogenic GHG removals)	**4,123,717.8**
Total (Direct + Indirect Removals including anthropogenic biogenic GHG removals)	**5,170,675.7**

Signed on behalf of Hong Kong Quality Assurance Agency:

Lead Verifier:

Tommy Lo
Date of Issuance: 13 March 2025

Chief Operating Officer:

K.T. Ting

Hong Kong Quality Assurance Agency
19/F., K. Wah Centre, 191 Java Road, North Point, Hong Kong
Contact detail www.hkqaa.org

Remarks:
This verification opinion includes page <1> to page <5>

HKQAA
HONG KONG QUALITY ASSURANCE AGENCY
香 港 品 質 保 證 局

14949724-OTH

Verification Opinion (Continued)

Introduction:

HKQAA has been commissioned by China Everbright Greentech Limited ("CEGL", address: Room 3602, 36/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong) for the verification of its direct and indirect Greenhouse Gas emissions and removals in accordance with ISO 14064-1:2018 as provided by CEGL in its GHG Statement in form of "CEGL Summary Table for ISO14064 (The Inventory)" and the corresponding worksheet reports (CEGL_CDM_2024_v2 and CEGL_GHG_2024_v3) covering GHG emissions and removals of the reporting period 1st January 2024 to 31st December 2024.

Roles and responsibilities:

CEGL is responsible for the organization's carbon assets management system, the development and maintenance of records and reporting procedures in accordance with the system, including the calculation and determination of GHG emissions and removals information, and the reported GHG emissions and removals. HKQAA verification team is responsible for providing an independent GHG verification opinion on the GHG Statement provided by CEGL for the reporting period.

HKQAA has conducted a third-party independent verification of the provided GHG Statement against the requirements of ISO 14064-3:2019 from February to March 2025. The verification was based on the verification scope, objectives and criteria as agreed between CEGL and HKQAA.

Detail of the Scope:

- The organizational boundary was established following the operational control approach.
- The reporting boundaries were established including the identification of direct and indirect GHG emissions and removals associated with the following CEGL's operations of various waste treatment facilities and environmental operations.
- Title or description activities: Verification of GHG Inventory 2024 for CEGL
- Location/boundary of the activities:
    - Covers all overseas and local projects and offices with majority operational control
    - Over 84% of GHG emissions were contributed from combustion of municipal solid waste and 68% of GHG removals were contributed from electricity generated from integrated biomass and waste utilisation

Remarks:
This verification opinion includes page <1> to page <5>

HKQAA
HONG KONG QUALITY ASSURANCE AGENCY
香 港 品 質 保 證 局

14949724-OTH

- Physical infrastructure, activities, technologies and processes of the organization:
    - Stationary combustion sources such as fuel combustion for generator set and machinery equipment, combustion of biomass, municipal solid waste and hazardous waste
    - Mobile combustion sources such as plant vehicles, mobile machines, transportation vehicles for biomass, municipal solid waste and hazardous waste
    - Indirect energy emissions from purchased energy
    - Electricity generation from integrated biomass utilization, municipal solid waste incineration, solar and wind power projects
    - Contractor / Third-party transportation of biomass, municipal solid waste, hazardous waste, fly ash, bottom ash and sludge from / to projects
    - Air travel by employees
- GHG sources, sinks and/or reservoirs included: GHG sources as presented in the worksheets of "CEGL Summary Table for ISO14064 (The Inventory)" and the corresponding worksheet reports (CEGL_CDM_2024_v2 and CEGL_GHG_2024_v3)
- Types of GHGs included: CO_2, CH_4 and N_2O, where NF_3, SF_6, HFCs and PFCs are either not used by CEGL or not in significant amount.
- The data and information supporting the GHG Statement were hypothetical, projected and/or historical in nature.
- GWP adopted: 100-year global warming potentials (GWPs) identified in the IPCC's Sixth Assessment Report.
- GHG information for the following period was verified: 1st January 2024 to 31st December 2024
- Intended user of the verification opinion: Stakeholders identified by CEGL

HKQAA
HONG KONG QUALITY ASSURANCE AGENCY
香 港 品 質 保 證 局

14949724-OTH

Conclusion:

CEGL provided the GHG Statement in form of "CEGL Summary Table for ISO14064 (The Inventory)" and the corresponding worksheet reports (CEGL_CDM_2024_v2 and CEGL_GHG_2024_v3) based on the requirements of ISO14064-1:2018. The GHG information for the reporting period disclosing the total direct and indirect greenhouse gas emissions of 1,770,952.9 tonnes of CO_2 equivalent (excluding anthropogenic biogenic GHG emissions), direct greenhouse gas removals of 4,123,717.8 tonnes of CO_2 equivalent (excluding anthropogenic biogenic GHG removals), and anthropogenic biogenic GHG removals of 1,046,957.9 tonnes of CO_2 equivalent were verified by HKQAA to a reasonable level of assurance (within 5%), consistent with the agreed verification scope, objectives and criteria.

HKQAA adopted a risk-based approach for the verification. Our examination includes assessment of evidence relevant to the amounts and disclosures in relation to CEGL's reported GHG emissions.

The verification team assessed the GHG Statement in form of "CEGL Summary Table for ISO14064 (The Inventory)" and the corresponding worksheet reports (CEGL_CDM_2024_v2 and CEGL_GHG_2024_v3) including the carbon assets management system and reporting protocol. This assessment covered the collection of supporting evidence of the reported data and verified the consistency and appropriateness of the provided protocol reference.

Based on the verification results, the verification team concluded that no material error or omission was identified in the year 2024 Emissions Inventory of CEGL. It is materially correct and is a fair representation of the GHG data and information for the reporting periods at reasonable level assurance. The quantification and reporting is prepared in accordance with ISO14064-1 on GHG quantification, monitoring and reporting.

HKQAA shall be responsible, and shall remain authority to forthwith suspend or withdraw CEGL's verification opinion under the scheme or reduce the scope of such verification or terminate the contract if CEGL is unable to comply with the requirements of the "Terms and Conditions".

Remarks:
This verification opinion includes page <1> to page <5>

APPENDIX 1: LEGAL COMPLIANCE

The table below lists the laws and regulations governing the Group, along with their impact on the Group and relevant control measures:

Scope	Laws and regulations	Potential impact	Control measures of the Group
Environmental	*Environmental Protection Law of the People's Republic of China*	More stringent and specific requirements for environmental management and more rigorous punishment against violations.	Ensuring compliance with legal regulations and effective cost control through technical upgrades and management enhancement.
	Law of the People's Republic of China on Environmental Impact Assessment *Water Pollution Prevention and Control Law of the People's Republic of China* *Atmospheric 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 Wastes*	More stringent requirements and longer approval periods.	Drawing on the experience of existing projects to standardise the related procedures.
	Criminal Law of the People's Republic of China	As the business of the Group involves the disposal of waste, the Group may be subject to criminal liability for the offence of environmental pollution, in addition to relevant civil liability, if it causes environmental pollution as a result of non-compliant disposals and emissions in the course of its operation.	Enhancing concern for criminal liabilities resulting from environmental pollution and exercising stringent control over all sections of the production process to ensure compliance in emissions.
	Certain Opinions on Promoting Healthy Development of Non-Hydropower Renewable Energy Power Generation, Supplemental Notice on Matters Pertaining to 'Certain Opinions on Promoting Healthy Development of Non-Hydropower Renewable Energy Power Generation', Administrative Measures for the Additional Funds for Renewable Energy Tariffs	The conditions for the grant, the method of calculation, and the subsidy limits for non-hydropower renewable energy have been clarified. The Group's household waste-to-energy and biomass waste-to-energy projects must meet the relevant requirements in order to qualify for the subsidy. Failure to receive the full subsidy will affect project revenue, thereby reducing project returns.	Projects that meet the required conditions should be applied for inclusion in the existing project category as soon as practicable. New projects should be actively pursued for inclusion in the "new project" category. In light of the increasing difficulties in the approval of "new projects", every effort should be made to reduce reliance on national tariff subsidies for revenue through various means. Through technological innovation, the Group has been actively promoting market-oriented commercial environmental projects.
	Marine Environmental Protection Law of the People's Republic of China, Wetland Conservation Law of the People's Republic of China, Yangtze River Protection Law of the People's Republic of China, Yellow River Protection Law of the People's Republic of China, Regulation on the Administration of Permitting of Pollutant Discharges, Administrative Measures for Permitting of Pollutant Discharges, Regulation on Water Conservation	The regulations require companies to adhere to stricter water resource protection standards. Failure to comply with the relevant laws may expose the Group to risks such as fines, project delays, or reputational damage.	All wastewater generated by the Group is either directed to the municipal sewage system for treatment, treated by our own wastewater treatment plant to meet discharge standards, or subjected to zero discharge, aiming to minimise the impact of project operations on the local water environment and water resources. Meanwhile, we promote on-site wastewater recycling.
	Regulation on Ecological Protection Compensation, Measures for Ecological Environmental Administrative Penalty, Provisions on the Compensation for Ecological and Environmental Damage, Measures for the Disclosure of Environmental Information by Enterprises	Any loss of natural capital will have a negative impact on its ability to provide ecosystem services, thereby affecting the stable operation and development of the Group.	The Group has issued Nature-Related Policy to ensure that all projects under our ownership or control conduct biodiversity assessments relevant to their operations. Specific measures have been implemented for projects in the planning, construction, and operational stages to mitigate any negative impacts on the surrounding ecological environment and biodiversity.
	Measures for the Administration of Automatic Monitoring of Pollution Sources, Measures for the Administration of the List of Key Units of Environmental Supervision, Administrative Measures for Urban Household Waste, Provisions on the Administration of Urban Construction Waste, Measures for the Administration of Permit for Operation of Dangerous Wastes, Measures for the Administration of the Transfer of Dangerous Wastes, Regulation on Medical Wastes Management	Solid waste pollution may pose significant environmental risks and lead to a determination of environmental pollution offences, resulting in civil or criminal liability, as well as damage to the Group's reputation.	Our projects have established a comprehensive full-process solid waste management system and an environmental pollution prevention and control responsibility framework. Active measures are being taken to reduce the generation of solid waste and prevent industrial solid waste from polluting the environment.

Scope	Laws and regulations	Potential impact	Control measures of the Group
Social	*Labour Law of the People's Republic of China, Labour Contract Law of the People's Republic of China, Social Insurance Law of the People's Republic of China, Regulation on the Management of Housing Provident Fund*	Higher labour costs and more exacting management requirements.	Improvement of management standards and strict compliance with the law in operations.
	Regulation on Unemployment Insurance, Regulation on Work-Related Injury Insurance, Social Insurance Law of the People's Republic of China	Labour cost increases and violations of relevant laws and regulations may result in fines or legal actions.	Ensuring compliance by establishing a comprehensive social insurance management system
	Patent Law of the People's Republic of China	More exacting requirements for technological development and protection.	Operation in accordance with the law and emphasis on the protection of intellectual property rights.
	Cybersecurity Law of the People's Republic of China	Ensuring cybersecurity to prevent data breaches and cyberattacks.	Strengthening cybersecurity management through regular cybersecurity training and risk assessments.
	Production Safety Law of the People's Republic of China, Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases, Fire Protection Law of the People Republic of China	The requirements for production safety have become more specific and stringent, highlighting the importance of preventing safety-related incidents, while also emphasising the significance of occupational disease prevention and fire safety.	Stringent implementation of relevant regulations and proper management of standard processes with increased investment in safety matters. Strictly implementing relevant regulations, managing standard processes effectively, increasing investment in safety matters, strengthening occupational health monitoring, and enhancing fire safety management.

Scope	Laws and regulations	Potential impact	Control measures of the Group
Governance	*Criminal Law of the People's Republic of China, Regulations of the Communist Party of China on Disciplinary Penalties, Code of Conduct for Communist Party of China Cadres, Rules of the Communist Party of China on Clean Government and Self-discipline, Regulations of the Communist Party of China on Disciplinary Action*	Strengthening corporate governance to prevent functionary embezzlement and corrupt practices, ensuring that the management personnel and employees comply with laws and regulations.	Strictly implementing relevant regulations, strengthening internal audits and oversight, defining codes of conduct, establishing supervision and accountability mechanisms, and regularly conducting anti-corruption training.
	Anti-Unfair Competition Law of the People's Republic of China	Maintaining market order and preventing unfair competition.	Establishing a corporate culture of fair competition and conducting regular compliance training.
	Anti-money Laundering Law of the People's Republic of China	Mitigating money laundering risks and protecting the Company's reputation.	Implementing strict customer identity verification processes, monitoring transactions, and promptly reporting suspicious activities.

APPENDIX 2: LIST OF IMPORTANT ESG POLICIES[Note]

Safety and Environmental Management	CEEGL General Principles of Safety and Environmental Management
	CEEGL Manual of Technical Support to Safety Operation and Pollutants Control
	CEEGL Regulations for Safety and Environmental Education and Training
	CEEGL Regulations for Emergency Response to Production Safety Incidents
	CEEGL Overall Emergency Response Plan for Sudden Incidents, Emergency Response Plan for Oversea Incidents, and Special Emergency Response Plan for Overseas Incidents
	CEEGL Regulations for Work Safety and Environmental Protection in Construction Projects
	CEEGL Regulations for Management of Work Tickets and Operation Tickets
	CEEGL Regulations on the Safety and Environmental Management Rating of Operating Projects
	CEEGL Administrative Measures for the Annual Rating of Outstanding Performance in Safety and Environmental Management
	CEEGL Safety Accidents and Environmental Incident Management Regulations
	CEEGL Regulations for Emergency Management of Environmental Incidents
	CEEGL Management Regulations for Flood Control and Prevention
	CEEGL Safety, Health, and Environmental Management Regulations for Stakeholders
	Waste, Energy and Water Resources Management Policy
	Ecological and Environmental Protection Management System
	Accountability Tracking System for Environmental Incidents
	Safety Management Handbook
	Safety Management Standards for Biomass Feedstock Depot, Waste Intake and Temporary Hazardous Waste Storage
	Safety Management Standards for Hot Work, Aerial Work, Work in Confined Space and Temporary Power Usage
	Safety Management Standards for External Partners
	Safety Management Standards for In-house Motor Vehicles
	Management Standards for On-site Risk Control at Production and Construction Sites
	Management Standards for the Dual Prevention Mechanism of Tiered Safety Risk Control and Hazard Inspection and Treatment
	Administrative Regulations for Fire Prevention
	Compilation of Typical Incident Cases for Alert and Education
	Implementation Measures of the Safe Production Accountability System for Typical Job Positions
	Standards for the Installation of Safety Facilities
	Administrative Measures for Work Project Construction
	Nature-related Policy
	Management Measures for Work Safety Expenses
Occupational Health	CEEGL Regulations on Occupational Health Management
	CEEGL Safety, Health, and Environmental Management Regulations for Stakeholders
	Occupational Health Management Standard
	Occupational Health Supervision Management Standard
	Measures for the Management of Safe Production, Employees' Health and Accidental Injury Protection Fund

Note In addition to its own systems and policies, the Group also stringently complies with systems and policies formulated by the parent company, CEEGL.

Procurement and Suppliers' Management	Procurement Management System
	Supplier Management Measures
	Measures for the Management of Accountability for Procurement Breach
	Operating Manual for the Evaluation of Suppliers
	Measures for the Management of Tenders and Non-tender-based Procurement
	Supplier Code of Conduct
Business Ethics	CEEGL Provisional Regulations on the Abstention of Relatives of Staff Officers
	CEEGL Supplementary Implementation Scheme of Provisional Regulations on the Abstention of Relatives of Staff Officers
	CEEGL Administrative Measures for "Briber Blacklist"
	CEEGL Notice on the Further Implementation of Regulations pertaining to Periods Subject to Punishment Against Disciplinary and Regulatory Violations
	CEEGL Handbook for the Prevention and Control of Probity Risks Associated with Crucial Elements in Key Sectors
	CEEGL Anti-corruption, Anti-bribery and Anti-money Laundering Policy
	Measures on Accountability for Breach of Regulations
	Management Measures for Work Secrets and Trade Secret (Trial)
	Whistleblowing Policy
	Notice on the Public Announcement of Everbright Greentech's Channels for Pressing Charges
	Code of Corporate Conduct
Risk Management	Risk Management Policy
	Administrative Regulations on Legal Affairs
Cyber and Information Security	CEEGL Confidentiality Management Regulations
	CEEGL Employee Network and Information Security Handbook
	CEEGL IT Management Administration System
	CEEGL IT Security Administrative Measures
	CEEGL Employee Network and Information Security Handbook and Protection Against Common Phishing Mails
	CEEGL Notice on Further Enhancing Management of Software Licensing Authorisation and Prevention of Infringement Risk
	CEEGL Data Management Policy
Technology Management and Development	CEEGL Measures for the Reward of Technological R&D
	Measures for the Management of Intellectual Property Rights
	Measures for the Management of Technology R&D Projects
	Measures for the Reward of Technological Innovation
	Measures for the R&D Projects Appraisal
	Measures for the Management of Engagement of External Expertise (Trial)
Employee Development	CEEGL Training Instructors and Course Management Regulations
	CEEGL Measures on Records of Officers' Selection and Appointment (Trial)
	Measures for the Administration of Professional Qualifications and Specialised Technical Titles
	Management Measures for Assessments and Appointments in relation to Specialised Technical Positions
	Management Measures for Assessments and Appointments in relation to the Positions of Functional Management Specialists
	Management Measures for Headquarters Professional Sequence (Trial)
	Staff Handbook
	Measures for the Management of Training
	Regulations on the Selection and Appointment of Officers
	Administrative Measures for Back-up Cadre Management
	Remuneration Package Management System
	Measures for the Management of Employees Recruitment and Appointment

APPENDIX 3: KPI OVERVIEW

Operation Performance

Indicator	Unit	2024	2023	2022
Operating Capacity				
Biomass raw materials processing volume[1]	tonne	7,527,384	8,063,515	8,465,631
Household waste processing volume	tonne	3,581,142	3,262,144	3,468,490
Hazardous and solid waste processing volume	tonne	556,899	495,708	452,121
General industrial solid waste treatment volume	tonne	380,672	363,166	Not commissioned
Grid-connected green electricity[2]	MWh	6,665,142	6,498,329	6,291,582
Grid-connected green electricity per tonne of biomass[3]	kWh/tonne of biomass	719	660	681
Supply of sold steam	tonne	3,607,859	3,116,400	2,341,990
Supply of sold hot water	GJ	170,059	102,714	N/A
Total length of aboveground transmission lines	km	211	211	163
Total length of underground transmission lines	km	49	49	37
Number of Institutional and Commercial Clients				
Population of cities served	million persons	271	274	214
Number of industrial/commercial clients	unit	4,375	4,503	4,310
Number of government agencies	unit	166	186	175

1 Comprising biomass fuel only. As per industry practices, this data is reported on a wet weight basis. The 2022 data has been restated.

2 Comprising total grid-connected electricity generation from wind power, solar energy, biomass incinceration, household waste incinceration and general industrial solid waste incinceration.

3 Covering green electricity generated and biomass processed amount from biomass incinceration projects only. Biomass processed is on a wet weight basis.

ENVIRONMENTAL PERFORMANCE[4]

Indicator	Unit	2024	2023	2022
Air Pollutant Emissions[5]				
Nitrogen oxides (NO_x)	tonne	4,195	4,176 (re-stated)	3,842 (re-stated)
Sulphur oxides (SO_x)	tonne	1,474	1,422 (re-stated)	1,283 (re-stated)
Particulate matter	tonne	193	215 (re-stated)	235 (re-stated)
GHG Emissions and Intensity[6]				
Scope 1 - direct GHG emissions[7]	tonne CO_2 equivalent	1,643,271	1,557,308 (re-stated)	1,329,625 (re-stated)
Scope 2 - energy indirect GHG emissions[8]	tonne CO_2 equivalent	53,683	66,887 (re-stated)	69,368 (re-stated)
Total GHG emissions (Scopes 1 and 2)	tonne CO_2 equivalent	1,696,954	1,624,195 (re-stated)	1,398,993 (re-stated)
Scope 3 - Other indirect GHG emissions[9]	tonne CO_2 equivalent	73,998	64,061 (re-stated)	66,623 (re-stated)
Total GHG emissions (Scopes 1, 2 and 3)	tonne CO_2 equivalent	1,770,952	1,688,256 (re-stated)	1,465,616 (re-stated)
GHG intensity (based on operating revenue)	tonne CO_2 equivalent/ HK$ million	275.96	263.27 (re-stated)	229.56 (re-stated)
GHG emission reduction[10]	tonne CO_2 equivalent	3,399,723	3,903,538 (re-stated)	3,779,287 (re-stated)
Hazardous Waste Generated and Intensity				
Hazardous waste generated	tonne	287,553	215,299	166,717
Hazardous waste intensity (based on operating revenue)	tonne/HK$ million	44.81	33.57	26.11
Non-hazardous Waste Generated and Intensity				
Non-hazardous waste generated	tonne	3,376,768	3,257,193	2,801,768
Non-hazardous waste intensity (based on operating revenue)	tonne/HK$ million	526.19	507.93	438.85

4 Due to an increase in the Group's treatment volume of household waste and general industrial solid waste during the Reporting Period, certain environmental data (including air pollutant emissions, GHG emissions, waste generation, and water consumption) have shown a slight increase. The Group will continue to monitor its environmental performance closely and actively seek improvements to minimise the environmental impact of its business operations as much as possible.

5 The calculation methodology for air pollutant emissions was adjusted to align with the parent company, CEEGL, in 2024 and the data for 2023 and 2022 have been recalculated to ensure consistency and comparability. The data are derived from the automatic online monitoring systems of the combustion systems at various projects.

6 The carbon emission methodology was adjusted in 2024, primarily including modifications to Scope 1, Scope 3, and baseline emission sources, as well as updates to emission factors. The revised methodology has been aligned with the parent company, CEEGL, and the data for 2023 and 2022 have been recalculated to ensure consistency and comparability.

7 Scope 1 - Direct GHG emissions mainly originate from stationary and mobile fuel combustion, biomass incineration, household waste incineration, general industrial waste incineration, hazardous waste incineration, and leachate anaerobic treatment systems during the Group's business operations. The calculation methodology is reference to Clean Development Mechanism (CDM)'s ACM0018: Electricity generation from biomass residues in power-only plants (Version 4.0), ACM0006: Biomass-based cogeneration (Version 14.0), and ACM0022: Alternative waste treatment processes (Version 2.0), National Development and Reform Commission (NDRC)'s Guidelines for Accounting and Reporting Greenhouse Gas Emissions for Enterprises in Other Industrial Sectors (Trial), the IPCC Guidelines for National Greenhouse Gas Inventories, and the Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential, or Public Use) jointly published by the Hong Kong Environmental Protection Department and the Electrical and Mechanical Services Department, as well as the Greenhouse Gas Protocol. The Global Warming Potential (GWP) values are based on the Sixth Assessment Report (AR6) published by the IPCC, using the 100-year time horizon data.

8 Scope 2 - Energy indirect GHG mainly originated from the consumption of purchased electricity and heat during operation. The emissions are calculated using the 2022 national average power grid emission factor and the 2023 regional power grid baseline emission factors for emission reduction projects published by the Ministry of Ecology and Environment of the People's Republic of China.

9 Scope 3 - Other indirect GHG emissions include carbon emissions generated from third-party transportation (for biomass, solid waste, hazardous waste, slag, fly ash/bottom ash, and sludge), off-site electricity consumption, and business air travel. The emissions from third-party transportation are calculated with reference to the CDM's Road Freight Transport Projects and Leakage Emissions. The emissions from off-site electricity consumption are calculated using the 2022 national average power grid emission factor. The emissions from business air travel are calculated using the International Civil Aviation Organisation (ICAO) Carbon Emissions Calculator.

10 The decrease in 2024 GHG emission reduction is primarily due to a decline in the 2023 regional power grid baseline emission factors, which has led to a corresponding reduction in baseline emissions. The GHG emission reduction is calculated as the baseline emissions minus the total GHG emissions (Scope 1, 2, and 3). The baseline emissions include emissions avoided by the Group's projects which replace fossil fuel-based power generation and heat production, emissions avoided by incinerate household waste as an alternative to landfilling, and emissions avoided by preventing the natural degradation or uncontrolled combustion of biomass. The baseline emissions are calculated with reference to the CDM's ACM0018: Electricity generation from biomass residues in power-only plants (Version 4.0), ACM0006: Biomass-based cogeneration (Version 14.0), and ACM0022: Alternative waste treatment processes (Version 2.0) and 2023 regional power grid baseline emission factors published by the Ministry of Ecology and Environment of the People's Republic of China.

Indicator	Unit	2024	2023	2022
Energy Consumption and Intensity[11]				
Direct energy[12]	**MWh**	**28,774,589**	**27,023,148 (re-stated)**	**28,920,189 (re-stated)**
Gasoline	MWh	5,669	4,302	1,855
Diesel	MWh	74,058	91,755	56,610
Liquefied natural gas (LNG)	MWh	0	99	145
Liquefied petroleum gas (LPG)	MWh	519	722	0
Natural gas	MWh	57,697	90,229	62,311
Methane	MWh	0	0	0
Ethyne	MWh	0	0	0
Heavy oil	MWh	0	25,451	7,527
Fuel oil	MWh	7,998	0	0
Household waste (fossil carbon)	MWh	5,778,708	5,543,005	7,577,050
Household waste (biocarbon)	MWh	6,703,302	6,429,885	8,789,379
General industrial solid waste (fossil carbon)	MWh	911,770	872,745	Not commissioned
General industrial solid waste (biocarbon)	MWh	1,057,653	1,012,384	Not commissioned
Biomass (biocarbon)	MWh	19,493,766	21,357,504	15,304,958
Self-generated and self-consumed electricity[13]	MWh	859,184	792,556	722,996
Self-generated and self-consumed steam[13]	MWh	3,501,448	55,756	4,827,565
Unconsumed self-generated electricity	MWh	0	0	0
Unconsumed self-generated steam (heat)	MWh	0	0	0
Sold electricity	MWh	(6,665,537)	(6,498,329)	(6,291,582)
Sold steam (heat)	MWh	(2,964,407)	(2,726,384)	(2,138,625)
Sold hot water (heat)	MWh	(47,239)	(28,532)	N/A
Indirect energy	**MWh**	**98,737**	**116,137**	**101,201**
Purchased electricity	MWh	90,613	110,338	101,201
Purchased steam (heat)	MWh	8,124	5,799	0
Total energy consumption	**MWh**	**28,873,326**	**27,139,285 (re-stated)**	**29,021,390 (re-stated)**
Energy intensity (based on operating revenue)	MWh/HK$'000	4.50	4.28	4.59
Water Consumption and Intensity[14]				
Total water consumption	m^3	26,984,525	25,545,940 (re-stated)	22,486,634 (re-stated)
Water consumption intensity (based on operating revenue)	m^3/HK$'000	4.20	3.98 (re-stated)	3.52 (re-stated)
Total Packaging Material Used for Finished Products and Intensity				
Total packaging material used	tonne	0	0	0
Intensity of packaging material use (based on operating revenue)	kg/HK$ million	0	0	0

11 Total energy consumption = (non-renewable fuels + renewable fuels + self-generated and self-consumed renewable energy + purchased energy + self-generated but unconsumed energy) - energy sold. The conversion of fuel energy is based on lower heating value (LHV), while steam energy conversion is calculated based on temperature and pressure. According to the GRI Standards, biomass fuel is classified as renewable fuel.

12 To avoid double counting, the Group optimised the calculation method for the direct energy consumption. The renewable energy data has been incorporated into self-generated and self-consumed electricity based on actual conditions in 2024. Relevant data for 2023 and 2022 have been restated accordingly.

13 The Group has refined the definition, namely, the self-generated and self-consumed renewable energy consumption.

14 The Group has refined the definition: total water consumption = total water withdrawal - total water discharge. The total water consumption data for 2023 and 2022 have been restated accordingly.

Indicator	Unit	Integrated Biomass Utilisation	Hazardous and Solid Waste Treatment	General Industrial Solid Waste Treatment	Solar Energy and Wind Power	Office Operation
GHG Emission[15]						
Scope 1	**tonne CO_2 equivalent**	**1,129,140**	**165,125**	**348,412**	**23**	**571**
Fossil fuel combustion-stationary source	tonne CO_2 equivalent	9,183	22,283	1,696	0	0
Fossil fuel combustion-mobile source	tonne CO_2 equivalent	9,533	3,107	503	23	571
GHG released from waste incineration (fossil carbon)	tonne CO_2 equivalent	993,409	139,734	341,327	0	0
GHG released from waste incineration (CH_4, N_2O)	tonne CO_2 equivalent	45,970	0	4,887	0	0
GHG released from methane combustion generated by the system for anaerobic processing of waste leachate	tonne CO_2 equivalent	9,781	0	0	0	0
Direct atmospheric GHG emission released from methane combustion generated by the system for anaerobic processing of waste leachate	tonne CO_2 equivalent	0	0	0	0	0
GHG released from biomass incineration (CH_4)	tonne CO_2 equivalent	61,265	0	0	0	0
Scope 2	**tonne CO_2 equivalent**	**8,589**	**42,968**	**1,075**	**805**	**246**
Purchased electricity	tonne CO_2 equivalent	8,589	39,751	1,075	805	246
Purchased steam (heat)	tonne CO_2 equivalent	0	3,217	0	0	0
Scope 3	**tonne CO_2 equivalent**	**62,342**	**5,056**	**6,330**	**22**	**248**
Transportation of biomass, solid and hazardous waste	tonne CO_2 equivalent	60,927	5,055	6,330	0	0
Off-site electricity consumption	tonne CO_2 equivalent	1,365	0	0	0	0
Business air travel	tonne CO_2 equivalent	50	1	0	22	248
Total GHG emissions (Scopes 1 and 2)	**tonne CO_2 equivalent**	**1,137,729**	**208,092**	**349,488**	**828**	**817**
GHG emission intensity (Scopes 1 and 2)	**tonne CO_2 equivalent/ tonne**	**0.10**	**0.37**	**0.92**	**0.003**	**6.28**
Total GHG emissions (Scopes 1, 2 and 3)	**tonne CO_2 equivalent**	**1,200,071**	**213,148**	**355,818**	**850**	**1,064**
GHG emission intensity (Scopes 1, 2 and 3)	**tonne CO_2 equivalent/ tonne**	**0.11**	**0.38**	**0.93**	**0.003**	**8.19**
GHG emission intensity unit		Based on biomass processed (tonne CO_2 equivalent/ tonne)	Based on hazardous and solid waste processed (tonne CO_2 equivalent/ tonne)	Based on general industrial solid waste processed (tonne CO_2 equivalent/ tonne)	Based on electricity generated (tonne CO_2 equivalent/ tonne)	Based on employee headcount (tonne CO_2 equivalent/ employee)
Biogenic GHG emission	tonne CO_2 equivalent	898,566	368,099	157,710	0	0

15 Based on the actual situation of the Group's business, GHG emissions from hazardous and solid waste landfilling, fugitive emissions, and waste paper disposal were removed from the table in 2024, while GHG emissions from biomass incineration were added

Total Water Discharge by Destination[16]	Unit	Integrated Biomass Utilisation	Hazardous and Solid Waste Treatment	General Industrial Solid Waste Treatment	Solar Energy and Wind Power	Office Operation
All areas						
Municipal/third-party wastewater treatment plants	m^3	2,229,801	167,438	555,501	2,247	233
Surface water	m^3	1,214,067	308,976	0	0	7,570
Area with high water stress						
Municipal/third-party wastewater treatment plants	m^3	502,966	29,960	211,771	64	0
Surface water	m^3	401,500	38,976	0	0	0

Total Water Withdrawal by Source	Unit	Integrated Biomass Utilisation	Hazardous and Solid Waste Treatment	General Industrial Solid Waste Treatment	Solar Energy and Wind Power	Office Operation
All areas						
Surface water	m^3	14,507,514	183,162	1,257,063	0	0
Groundwater	m^3	440,302	3,358	0	0	0
On-Site reused water	m^3	1,739,141	69,264	0	0	0
On-Site rainwater harvesting and storage	m^3	10,871	78,574	0	0	0
Municipal water supply/other water supply facilities-fresh water	m^3	1,586,859	799,428	237,951	2,247	7,803
Municipal water supply/other water supply facilities-reclaimed water	m^3	10,577,181	0	26,188	0	0
Area with high water stress						
Surface water	m^3	2,518,805	0	698,223	0	0
Groundwater	m^3	366,464	0	0	0	0
On-Site reused water	m^3	90,682	8,998	0	0	0
On-Site rainwater harvesting and storage	m^3	2,675	36,252	0	0	0
Municipal water supply/other water supply facilities-fresh water	m^3	140,592	414,593	0	64	0
Municipal water supply/other water supply facilities-reclaimed water	m^3	2,782,091	0	26,188	0	0

Hazardous Waste Disposed (by Disposal Operations)	Unit	Integrated Biomass Utilisation	Hazardous and Solid Waste Treatment	General Industrial Solid Waste Treatment	Solar Energy and Wind Power	Office Operation
Preparation for reuse (enabling items that would otherwise become waste to be put to their original use again through inspection, cleaning or repair)	tonne	0	0	0	0	0
Regeneration (regeneration of waste into new materials through reprocessing and manufacturing)	tonne	0.05	82	0	0	0
Incineration (including energy recycling)	tonne	0	767	0	0	0
Incineration (without energy recycling)	tonne	9	669	0	0	0
Landfill after solidification	tonne	123,258	54,198	12,146	0	0
Landfill	tonne	0	84	0	0	0
On-site storage	tonne	53,349	2,764	48	0	0
Handling by qualified agents entrusted	tonne	554	21,758	17,852	14	0

16 Sewage treatment facilities varied from project to project. The main processes included pre-processing (reduction neutralisation, flocculation and sedimentation), secondary biochemical processing (anaerobic processing, anaerobic/aerobic processing, membrane bioreactor, disk tubular reverse osmosis (DTRO), etc.), filtering (nanofiltration, reverse osmosis) and disinfection before reuse or discharge. The requirements for discharge quality also varied from project to project. The chemical oxygen demand ("COD") of all processed sewage must comply with the three-tiered standards under the Consolidated Sewage Discharge Standards (GB 8978-1996), namely, not more than 500 mg/litres, and suspended solids (SS) must not be more than 400 mg/litres. Some processed sewage is required to comply with the cooling water standard under Water Quality of Industrial Water Through Urban Sewage Reuse (GB/T 19923-2005), namely, COD of not more than 60 mg/litres and SS of not more than 1 mg/litres, before it can be discharged or reused.

Hazardous Waste Disposed (by Type)	Unit	Integrated Biomass Utilisation	Hazardous and Solid Waste Treatment	General Industrial Solid Waste Treatment	Solar Energy and Wind Power	Office Operation
Fly ash	tonne	0	53,796	0	0	0
Bottom ash	tonne	176,606	24,102	30,043	0	0
Sludge (originated from sewage treatment facilities)	tonne	0	1,378	0	0	0
Waste activated carbon	tonne	8	602	0	0	0
Waste motor oil	tonne	515	342	2	10	0
Waste fabric bags	tonne	34	34	0	0	0
Toner cartridges	tonne	0.35	0.10	0.16	0	0
Ink cartridges	tonne	1	0.05	0	0	0
Fluorescent lamps (fluorescent tubes)	tonne	0.03	0.01	0	0	0
Others	tonne	5	71	0	4	0

Non-Hazardous Waste Disposed (by Disposal Operations)	Unit	Integrated Biomass Utilisation	Hazardous and Solid Waste Treatment	General Industrial Solid Waste Treatment	Solar Energy and Wind Power	Office Operation
Preparation for reuse (enabling items that would otherwise become waste to be put to their original use again through inspection, cleaning or repair)	tonne	0	0	0	0	0
Regeneration (regeneration of waste into new materials through reprocessing and manufacturing)	tonne	77	25	0	14	1
Incineration (including energy recycling)	tonne	16,894	20	13,906	0	0
Incineration (without energy recycling)	tonne	361	145	0	5	14
Landfill after solidification	tonne	152,537	0	0	0	0
Landfill	tonne	0	1	0	0	0
On-site storage	tonne	85,117	0	0	0	0
Handling by qualified agents entrusted	tonne	2,966,622	83	140,946	0	0

Non-Hazardous Waste Disposed (by Type)	Unit	Integrated Biomass Utilisation	Hazardous and Solid Waste Treatment	General Industrial Solid Waste Treatment	Solar Energy and Wind Power	Office Operation
Fly ash	tonne	758,397	0	0	0	0
Bottom ash	tonne	2,445,762	0	140,946	0	0
Sludge (originated from sewage treatment facilities)	tonne	16,541	0	13,872	0	0
Kitchen waste	tonne	239	109	11	4	0
Household waste	tonne	648	140	23	1	15
Waste bags	tonne	20	0	0	0	0
Scrap metals	tonne	0.46	25	0	14	0

SOCIAL PERFORMANCE

Indicator		Unit	2024	2023	2022
Total Employee Headcount[17]		person	3,337	3,569	3,580
By gender	Male	person	2,650	2,820	2,808
	Female	person	687	749	772
By age	30 or below	person	1,121	1,286	1,337
	31-40	person	1,615	1,679	1,701
	41-50	person	487	483	436
	51 or above	person	114	121	106
By employment contract	Permanent	person	1,750	509	402
	Term	person	1,587	3,060	3,178
By employment category	Full-time	person	3,337	3,569	3,580
	Part-time	person	0	0	0
By geographical region	Hong Kong	person	12	16	16
	Mainland China	person	3,325	3,553	3,564
New Employee Headcount and Ratio		person (%)	285 (8.54%)	434 (12.16%)	599 (16.73%)
By gender	Male	person (%)	246 (7.37%)	355 (9.95%)	494 (13.80%)
	Female	person (%)	39 (1.17%)	79 (2.21%)	105 (2.93%)
By age	30 or below	person (%)	201 (6.02%)	287 (8.04%)	326 (9.11%)
	31-40	person (%)	68 (2.04%)	123 (3.45%)	235 (6.56%)
	41-50	person (%)	15 (0.45%)	23 (0.64%)	37 (1.03%)
	51 or above	person (%)	1 (0.03%)	1 (0.03%)	1 (0.03%)
By geographical region	Hong Kong	person (%)	2 (0.06%)	2 (0.06%)	1 (0.03%)
	Mainland China	person (%)	283 (8.48%)	432 (12.10%)	598 (16.70%)
Employee Turnover Headcount and Ratio		person (%)	488 (14.62%)	419 (11.74%)	673 (18.80%)
By gender	Male	person (%)	400 (11.99%)	330 (9.25%)	544 (15.20%)
	Female	person (%)	88 (2.64%)	89 (2.49%)	129 (3.60%)
By age	30 or below	person (%)	211 (6.32%)	188 (5.27%)	300 (8.38%)
	31-40	person (%)	200 (5.99%)	176 (4.93%)	300 (8.38%)
	41-50	person (%)	58 (1.74%)	41 (1.15%)	61 (1.70%)
	51 or above	person (%)	19 (0.57%)	14 (0.39%)	12 (0.34%)
By geographical region	Hong Kong	person (%)	7 (0.21%)	2 (0.06%)	3 (0.08%)
	Mainland China	person (%)	481 (14.41%)	417 (11.68%)	670 (18.72%)
Employee Voluntary Turnover Ratio		%	280 (8.39%)	350 (10.49%)	652 (19.54%)
By gender	Male	%	228 (6.83%)	283 (8.48%)	525 (15.73%)
	Female	%	52 (1.56%)	67 (2.01%)	127 (3.81%)
Employee Diversity					
Percentage of female employees by position	All management positions	%	11.74%	12.52%	12.06%
	Senior management	%	10.38%	9.91%	9.26%
	Middle-level and junior management	%	11.99%	13.15%	12.62%
	Management in revenue-generating functions	%	29.17%	27.78%	8.62%
	STEM-related positions	%	2.07%	10.23%	17.89%
Parental Leave Statistics					
Total number of employees eligible for parental leave during the year[18]	Male	person	363	601	1,209
	Female	person	116	153	306
Total number of employees applying for parental leave during the year	Male	person	81	66	112
	Female	person	52	42	43
Total number of employees returning to work after parental leave and return to work rate during the year	Male	person (%)	74 (91.36%)	63 (95.45%)	109 (97.32%)
	Female	person (%)	38 (73.08%)	41 (97.62%)	39 (90.70%)
Total number of employees returning to work after parental leave and remaining in service after 12 months and retention rate during the year	Male	person (%)	45 (55.56%)	32 (48.48%)	37 (33.04%)
	Female	person (%)	27 (51.92%)	20 (47.62%)	19 (44.19%)

17 Including 2,854 contract-based workers and 483 other workers (including post-retirement hiring, outsourced workers and contract workers).

18 The decrease in the total number of employees eligible for parent leave for the Reporting Period is attributable to changes in the policies of Mainland China and declining birth rates in recent years.

Indicator		Unit	2024	2023	2022
Health and Safety Statistics					
Number and ratio of workers covered by occupational health and safety management system[19]		person (%)	6,438 (99.66%)	7,702 (100%)	7,932 (100%)
Number and ratio of workers covered by internally audited management systems[20]		person (%)	6,438 (99.66%)	7,702 (100%)	7,932 (100%)
Number and ratio of workers covered by externally certified management systems[21]		person (%)	3,337 (51.66%)	3,569 (45.13%)	3,580 (45.13%)
Number and rate of fatality caused by work-related injuries[22]	Employees	Case (case/per 200,000 hours)	0 (0)	0 (0)	0 (0)
	Other workers	Case (case/per 200,000 hours)	0 (0)	0 (0)	0 (0)
Number and rate of high-consequence work-related injuries[23]	Employees	Case (case/per 200,000 hours)	0 (0)	0 (0)	0 (0)
	Other workers	Case (case/per 200,000 hours)	0 (0)	0 (0)	0 (0)
Number and rate of recordable work-related injuries[24]	Employees	Case (case/per 200,000 hours)	5 (0.15)	0 (0)	0 (0)
	Other workers	Case (case/per 200,000 hours)	2 (0.06)	0 (0)	0 (0)
Lost days due to work-related injuries	Employees	Day	286	0	0
	Other workers	Day	163	0	0
Number of work-related ill health	Employees	Case	0	0	0
	Other workers	Case	0	0	0
Working hours[25]	Employees	Hour	6,674,000	7,138,000	7,160,000
	Other workers	Hour	7,160,000	8,266,000	8,704,000
Employees Training Ratio		%	100%	100%	100%
By gender	Male	%	100%	100%	100%
	Female	%	100%	100%	100%
By employee category	Senior management	%	100%	100%	100%
	Middle-level management	%	100%	100%	100%
	General and technical staff	%	100%	100%	100%
Average Training Hours per Employee		Hour	27.84	17.34	19.31
By gender	Male	Hour	30.77	17.96	20.64
	Female	Hour	16.51	15.06	14.61
By employee category	Senior management	Hour	35.02	24.05	18.93
	Middle-level management	Hour	17.24	14.21	19.99
	General and technical staff	Hour	29.81	17.68	19.21
Training Expense Statistics					
Total Training Expenses		HK$	826,026	666,059	665,145
Average training expenses per full-time employee		HK$/person	248	187	186
Number of Suppliers		unit	3,007	2,686	2,308
By geographical region	Hong Kong	unit	73	68	68
	Mainland China	unit	2,948	2,617	2,239
	Overseas	unit	0	1	1
By type	Raw materials and equipment	unit	1,410	1,558	1,417
	Engineering work	unit	266	171	161
	Other services[26]	unit	1,345	957	730

19 Comprising employees as well as on-site project workers of third-party contractors and sub-contractors, including 3,580 onsite project workers of third-party contractors and sub-contractors.

20 Refers to the Group's ESHS management regime.

21 Refers to ISO 45001 or OHSAS 18001 Occupational Health and Safety Management System.

22 Rate of fatalities caused by work-related injuries = (Number of fatalities caused by work-related injuries/total work hours) x 200,000. Total working hours are estimated on the basis of 8 hours' work per working day per worker.

23 Work-related injury sustained by a worker that will not or is not likely to recover to the healthy conditions prior to the injury within six months, excluding fatal cases. Rate of high-consequence work-related injuries = (number of persons suffering from high-consequence work-related injuries/total working hours) x 200,000.

24 Including fatality caused by work-related injuries, high-consequence work-related injuries and other work-related injuries. Traffic accidents on the way to and from work fulfilling the stated conditions for work-related injuries under the Regulation on Work-related Injury Insurance of Mainland China are included in the calculation of work-related injuries statistics.

25 Estimations based on 8 hours' work per working day and 250 working days per year per worker in accordance with pertinent laws and regulations.

26 Including property, consultancy, printing, inspection and testing maintenance services, among others.

Indicator		Unit	2024	2023	2022
Annual Remuneration and Ratio[27]					
	Total remuneration of the highest-paid individual	HK$	1,986,510	2,800,000	3,060,000
	The median of the total remuneration of all employees[28] (excluding the highest-paid individual)	HK$	106,711	104,896	111,380
	Ratio of the total remuneration of the highest-paid individual to the median of the total remuneration of all employees (excluding the highest-paid individual)	—	18.62:1	26.99:1	33.03:1
	Ratio of the annual percentage change in total remuneration of the highest-paid individual to the median percentage change in annual total remuneration of all employees (excluding the highest paid individual)	—	-16.79:1	1.46:1	-0.01:1
Average Remuneration by Employee Ranking[27]					
Senior management	Basic salary of senior management (male)	HK$	235,617	245,840	289,709
	Basic salary of senior management (female)	HK$	265,762	258,861	157,458
	Ratio of the basic salary of senior management (female) to the basic salary of senior management (male)	—	1.13	1.05	0.54
	Basic salary and bonus of senior management (male)	HK$	294,363	344,009	347,161
	Basic salary and bonus of senior management (female)	HK$	377,141	348,340	216,572
	Ratio of the basic salary and bonus of senior management (female) to the basic salary and bonus of senior management (male)	—	1.28	1.01	0.62
Middle-level management	Basic salary of middle-level management (male)	HK$	149,394	202,409	176,495
	Basic salary of middle-level management (female)	HK$	157,256	192,201	165,916
	Ratio of the basic salary of middle-level management (female) to the basic salary of middle-level management (male)	—	1.05	0.95	0.94
	Basic salary and bonus of middle-level management (male)	HK$	186,349	242,502	214,551
	Basic salary and bonus of middle-level management (female)	HK$	196,384	236,094	207,183
	Ratio of the basic salary and bonus of middle-level management (female) to the basic salary and bonus of middle-level management (male)	—	1.05	0.97	0.97
General and technical staff	Basic salary of general and technical staff (male)	HK$	79,038	101,073	82,968
	Basic salary of general and technical staff (female)	HK$	71,062	87,369	73,565
	Ratio of the basic salary of general and technical staff (female) to the basic salary of general and technical staff (male)	—	0.90	0.86	0.89
	Basic salary and bonus of general and technical staff (male)	HK$	93,778	114,486	95,804
	Basic salary and bonus of general and technical staff (female)	HK$	84,826	100,001	85,671
	Ratio of the basic salary and bonus of general and technical staff (female) to the basic salary and bonus of general and technical staff (male)	—	0.90	0.87	0.89

27 As the 2024 bonus policy has not yet been determined, the bonus data is temporarily based on the previous year's figures. Therefore, the 2024 reported remuneration data may differ from the actual remuneration, and relevant data will be adjusted and updated in next year's report based on the actual bonuses issued.

28 Including contract-based employees only.

APPENDIX 4: STOCK EXCHANGE ESG REPORTING GUIDE CONTENT INDEX

Aspects	Contents	Relevant Chapter(s) and/or Other Explanations	Page
A.Environmental			
A1 Emissions			
General Disclosure	Information on: (a)the policies; and (b)compliance with relevant laws and regulations that have a significant impact on the Issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	— Green Recycling — KPI Overview The Group observed stringent compliance with pertinent laws and regulations of the places where it operated during the Reporting Period to ensure legal compliance. For details of the Group's legal management, please refer to the section "Appendix 1: Legal Compliance" in this Report. Meanwhile, the Group has also formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	53-76, 120
A1.1	The types of emissions and respective emissions data.		125-129
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and intensity.		125
A1.3	Total hazardous waste produced and intensity.		125
A1.4	Total non-hazardous waste produced and intensity.		125
A1.5	Description of emission targets set and steps taken to achieve them.	The Group has not yet set specific targets for emission reduction and waste reduction, but it has continuously monitored the performance of emissions and waste generation and will consider setting targets in the future.	38, 57
A1.6	Description of how hazardous and non- hazardous wastes are handled, and a description of reduction targets set and steps taken to achieve them.		57, 61-65
A2 Use of Resources			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	— Green Recycling — KPI Overview	53-76, 120
A2.1	Direct and/or indirect energy consumption by type in total and intensity., including energy, water and other raw materials.	The Group has formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	126
A2.2	Water consumption in total and intensity.		126
A2.3	Description of energy use efficiency targets set and steps taken to achieve them.	The Group has not yet set specific targets for energy conservation and water conservation, but it has continuously monitored the performance of energy use and water use and will consider setting targets in the future. The Group is not subject to problems in connection with access to water sources for the time being. The Group is engaged in the provision of environmental services. Due to the nature of the Group's business, no packaging materials were used during the Reporting Period.	66-70
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency targets set and steps taken to achieve them.		68-70
A2.5	Total packaging material used for finished products and per unit produced.		126
A3 Environment and Natural Resources			
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	— Green Recycling	53-76, 120
A3.1	Description of the significant impacts of activities on the environment and natural resources.	The Group is engaged in the provision of environmental services and did not generate any material adverse impact on the environment and natural resources during the Reporting Period. Meanwhile, the Group has also formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	53-76
A4 Climate Change			
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	— Addressing Climate Change	29-39
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.		29-39

Aspects	Contents	Relevant Chapter(s) and/or Other Explanations	Page
B. Social			
B1Employment			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the Issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	— Employee Development — KPI Overview The Group observed stringent compliance with pertinent laws and regulations of the places where it operated during the Reporting Period to ensure legal compliance. For details of the Group's legal management, please refer to the section ""Appendix 1: Legal Compliance" in this Report. Meanwhile, the Group has also formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	95-109, 122
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.		131
B1.2	Employee turnover rate by gender, age group and geographical region.		131
B2 健康與安全			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the Issuer relating to providing a safe working environment and protecting employees from occupational hazards.	— Safe Production — KPI Overview The Group observed stringent compliance with pertinent laws and regulations of the places where it operated during the Reporting Period to ensure legal compliance. For details of the Group's legal management, please refer to the section "Appendix 1: Legal Compliance" in this Report. Meanwhile, the Group has also formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	40-52, 122
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.		132
B2.2	Lost days due to work injury.		132
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.		40-52
B3 Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	— Safe Production — Employee Development — KPI Overview The Group has formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	40-52, 106-109, 122
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).		132
B3.2	The average training hours completed per employee by gender and employee category.		132
B4 Labour Standards			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	— Stable Supply — Employee Development The Group observed stringent compliance with pertinent laws and regulations of the places where it operated during the Reporting Period to ensure legal compliance. For details of the Group's legal management, please refer to the section "Appendix 1: Legal Compliance" in this Report. Meanwhile, the Group has also formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	76-77, 100-101, 122
B4.1	Description of measures to review employment practices to avoid child and forced labour.		100-101
B4.2	Description of steps taken to eliminate such practices when discovered.		100-101

Aspects	Contents	Relevant Chapter(s) and/or Other Explanations	Page
B5 Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	— Safe Production — Green Recycling — Stable Supply — KPI Overview	45-46, 75-76, 82-85
B5.1	Number of suppliers by geographical region.		132
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	The Group has formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	82-85
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.		82-85
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.		75-76, 82-85
B6 Product Responsibility			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	— Stable Supply The Group's operations did not involve matters relating to advertisements and labels or recall measures. The Group observed stringent compliance with pertinent laws and regulations of the places where it operated during the Reporting Period to ensure legal compliance. For details of the Group's legal management, please refer to the section "Appendix 1: Legal Compliance" in this Report. In addition, the Group did not receive any material complaint about products and services during the Reporting Period. Meanwhile, the Group has also formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	77-81,122
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.		—
B6.2	Number of products and service-related complaints received and how they are dealt with.		77-78
B6.3	Description of practices relating to observing and protecting intellectual property rights		81
B6.4	Description of quality assurance process and recall procedures		77-78
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.		78-81
B7 Anti-corruption			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	— Promotion of Sustainable Development The Group and its staff observed stringent compliance with pertinent laws and regulations of the places where it operated during the Reporting Period to ensure legal compliance. For details of the Group's legal management, please refer to the section "Appendix 1: Legal Compliance" in this Report. In addition, the Group did not receive any material complaint about corruption during the Reporting Period. Meanwhile, the Group has also formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	17-18,122
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.		18
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.		17-18
B7.3	Description of anti-corruption training provided to directors and staff.		17
B8 Community Investment			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	— Employee Development	109-112
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).		109-112
B8.2	Resources contributed (e.g. money or time) to the focus area.		109-112

APPENDIX 5: GRI CONTENT INDEX

1. GRI INDEX

1.1 Statement of Use

Statement of use	China Everbright Greentech Limited has reported the information cited in this GRI content index for the period January 1 to December 31, 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

1.2 GRI 2: General Disclosure 2021

GRI Standards	Disclosure Headline	Relevant Chapter(s) and/or Other Explanations	Page
Organization Profile			
The Organization and its Reporting Practices			
2—1	Organizational details	Company Profile	3-6
2—2	Entities included in the organisation's sustainability reporting	About this Report	11-12
2—3	Reporting period, frequency and contact point	About this Report	11-12
2—4	Restatements of information	KPI Overview	124-132
2—5	External assurance	Verification Statement Third-party verifiers verify environmental data such as greenhouse gas emissions, energy consumption, water intake and waste production data; social data such as employees, training and health and safety data; and the contents contained in the Report.	113-119
Activities and Workers			
2—6	Activities, value chain and other business relationships	For information on the number of suppliers and their geographical locations, please refer to KPI B5.1: Number of suppliers by region. More information about Everbright Greentech can be found on the Company's website: https://www.ebgreentech.com/en/global/home.php	132
2—7	Employees	Employee Development	95-112
2—8	Workers who are not employees	Not Applicable	—
Governance			
2—9	Governance structure and composition	Please refer to the Annual Report for relevant information.	—
2—10	Nomination and selection of the highest governance body	Promotion of Sustainable Development	15-28
2—11	Chair of the highest governance body	Mr. Huang Haiqing (Non-executive Director), Chairman of the Board of Directors of China Everbright Greentech Limited	—
2—12	Role of the highest governance body in overseeing the management of impacts	Promotion of Sustainable Development	15-28
2—13	Delegation of responsibility for managing impacts	Please refer to the Annual Report for relevant information.	—
2—14	Role of the highest governance body in sustainability reporting	Promotion of Sustainable Development	15-28
2—15	Conflicts of interest	Promotion of Sustainable Development	15-28
2—16	Communication of critical concerns	Promotion of Sustainable Development	15-28
2—17	Collective knowledge of the highest governance body	Promotion of Sustainable Development	15-28
2—18	Evaluation of the performance of the highest governance body	Promotion of Sustainable Development	15-28

GRI Standards	Disclosure Headline	Relevant Chapter(s) and/or Other Explanations	Page
2—19	Remuneration policies	Please refer to the Annual Report for relevant information.	—
2—20	Process to determine remuneration	Please refer to the Annual Report for relevant information.	—
2—21	Annual total compensation ratio	KPI Overview Operation Performance	124-132
Strategies, Policies and Practices			
2—22	Statement on sustainable development strategy	Promotion of Sustainable Development	15-28
2—23	Policy commitments	Promotion of Sustainable Development	15-28
2—24	Embedding policy commitments	Promotion of Sustainable Development	15-28
2—25	Processes to remediate negative impacts	Appendix 2: List of important ESG Policies To safeguard the orderly operation of business and promote healthy development of the enterprise as well as to enhance internal control, the Group revised its Whistleblowing Policy during the Reporting Period to assist internal or external stakeholders (including staff, investors and suppliers) to report actual or suspected illegal acts and improprieties to report@ebgreentech.com via email or 36/F Far East Financial Centre, 16 Harcourt Road, Hong Kong or West Wing, 27/F, Oriental New World Plaza, 1003 Shennan Avenue, Futian District, Shenzhen, PRC via post. The channels are published on the corporate website and in the Staff Handbook and Annual Report. For further information, please refer to the Annual Report.	122-123
2—26	Mechanisms for seeking advice and raising concerns	Appendix 2: List of important ESG Policies To safeguard the orderly operation of business and promote healthy development of the enterprise as well as to enhance internal control, the Group revised its Whistleblowing Policy during the Reporting Period to assist internal or external stakeholders (including staff, investors and suppliers) to report actual or suspected illegal acts and improprieties to report@ebgreentech.com via email or 36/F Far East Financial Centre, 16 Harcourt Road, Hong Kong or West Wing, 27/F, Oriental New World Plaza, 1003 Shennan Avenue, Futian District, Shenzhen, PRC via post. The channels are published on the corporate website and in the Staff Handbook and Annual Report. For further information, please refer to the Annual Report.	122-123
2—27	Compliance with laws and regulations	The Company had no confirmed material violations of regulations during the Reporting Period.	—
2—28	Membership associations	Corporate memberships included: • China Resource Recycling Association Hazardous Waste Committee • China Industry Development Promotion Association Biomass Energy Industry Chapter ("Biomass Energy Industry Alliance") • China Environmental Protection Machinery Industry Association • National Energy Administration's Eastern China Regulatory Office Power Safety Production Committee • Jiangsu Energy Research Association • Jiangsu Urban Management and Administrative Law Society • Sichuan Electric Power Enterprise Association • Sichuan Municipal Affairs and Cityscape Association	—
Stakeholder Engagement			
2—29	Approach to stakeholder engagement	Promotion of Sustainable Development	15-28
2—30	Collective bargaining agreements	Not Applicable	—
1.3 GRI 3: Material Topics 2021			
Material Topics			
3—1	Process to determine material topics	Promotion of Sustainable Development	15-28
3—2	List of material topics	Promotion of Sustainable Development	15-28
1.4 GRI 200:Economic			
Economic Performance			
GRI 3: Material Topics 2021			
3—3	Management of material topics	Green Recycling	53-76

GRI Standards	Disclosure Headline	Relevant Chapter(s) and/or Other Explanations	Page
GRI 201: Economic Performance 2016			
201—1	Direct economic value generated and distributed	Please refer to the Annual Report for relevant information.	—
201—2	Financial implications and other risks and opportunities due to climate change	Addressing Climate Change	29-39
201—3	Defined benefit plan obligations and other retirement plan	Please refer to the Annual Report for relevant information.	—
201—4	Financial assistance received from government	Please refer to the Annual Report for relevant information.	—
Market Presence			
GRI 202: Market Presence 2016			
202—2	Proportion of senior management hired from the local community	The localisation ratio of senior management for the year was 100% (local citizens referring to PRC citizens).	—
Procurement Practices			
GRI 3: Material Topics 2021			
3—3	Management of material topics	Stable Supply	77-81
GRI 204: Procurement 2016			
204—1	Proportion of spending on local suppliers	All procurement expenditure for the year was paid to local suppliers (namely, suppliers in China).	—
Anti-corruption			
GRI 3: Material Topics 2021			
3—3	Management of material topics	Promotion of Sustainable Development	15-28
GRI 205: Anti-Corruption 2016			
205—1	Operations assessed for risks related to corruption	Corruption-related risks have been taken into consideration to ensure on a best effort basis that corruption-related risk assessment is conducted in respect of the principal businesses.	—
205—2	Communication and training about anti-corruption policies and procedures	Promotion of Sustainable Development	15-28
205—3	Confirmed incidents of corruption and actions taken	Promotion of Sustainable Development The Company was not subject to any confirmed material violation of laws and regulations during the Reporting Period.	15-28
1.5 GRI 300：Environmental			
Energy			
GRI 3: Material Topics 2021			
3—3	Management of material topics	Green Recycling	53-76
GRI 301: Materials 2016			
301—1	Materials used by weight or volume	KPI Overview	124-132
GRI 302:Energy 2016			
302—1	Energy consumption within the organization	KPI Overview	124-132
302—2	Energy consumption outside of the organization	KPI Overview	124-132
302—3	Energy intensity	KPI Overview	124-132
302—4	Reduction of energy consumption	Green Recycling	53-76
Water and Effluents			
GRI 3: Material Topics 2021			
3—3	Management of material topics	Green Recycling	53-76

GRI Standards	Disclosure Headline	Relevant Chapter(s) and/or Other Explanations	Page
GRI 303: Water and Effluents 2018			
303—1	Interactions with water as a shared resource	Green Recycling The Group has not formulated any specific goals in relation to water resources at present, but have carried out ongoing supervision of water consumption performance and will consider the formulation of relevant goals in future.	53-76
303—2	Management of water discharge-related impacts	Green Recycling	53-76
303—3	Water withdrawal	KPI Overview	124-132
303—4	Water discharge	KPI Overview	124-132
303—5	Water consumption	KPI Overview	124-132
Biodiversity			
GRI 3: Material Topics 2021			
3—3	Management of material topics	Green Recycling	53-76
GRI 304: Biodiversity 2016			
304—1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Green Recycling	53-76
304—2	Significant impacts of activities, products and services on biodiversity	Green Recycling	53-76
304—3	Habitats protected or restored	Green Recycling	53-76
Emissions			
GRI 3: Material Topics 2021			
3—3	Management of material topics	Green Recycling	53-76
GRI 305: Emissions 2016			
305—1	Direct (Scope 1) GHG emissions	KPI Overview	124-132
305—2	Energy indirect (Scope 2) GHG emissions	KPI Overview	124-132
305—3	Other indirect (Scope 3) GHG emissions	KPI Overview	124-132
305—4	GHG emission intensity	KPI Overview	124-132
305—5	Reduction of GHG emissions	KPI Overview	124-132
305—6	Emissions of ozone-depleting substances (ODS)	The Company was not involved in any production, destruction and use of ODS during the Reporting Period and hence did not produce related emissions.	—
305—7	Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions	KPI Overview	124-132
Waste			
GRI 3: Material Topics 2021			
3—3	Management of material topics	Green Recycling	53-76
GRI 306: Waste 2020			
306—1	Waste generation and significant waste - related impacts	Green Recycling	53-76
306—2	Management of significant waste-related impacts	Green Recycling	53-76
306—3	Waste generated	KPI Overview	124-132
306—4	Waste diverted from disposal	KPI Overview	124-132
306—5	Waste directed to disposal	KPI Overview	124-132

GRI Standards	Disclosure Headline	Relevant Chapter(s) and/or Other Explanations	Page
Supplier Environmental Assessment			
GRI 3: Material Topics 2021			
3—3	Management of material topics	Stable Supply	77-81
GRI 308 Supplier Environmental Assessment 2016			
308—1	New suppliers that were screened using environmental criteria	The Company applied environmental criteria in the screening of new suppliers during the Reporting Period.	—
1.6 GRI 400：Social			
Labour Relations			
GRI 3: Material Topics 2021			
3—3	Management of material topics	Employee Development	94-112
GRI 401: Employment 2016			
401—1	New employee hires and turnover	KPI Overview	124-132
401—2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Development	94-112
401—3	Parental leave	Employee Development KPI Overview	94-112 124-132
Occupational Health and Safety			
GRI 3: Material Topics 2021			
3—3	Management of material topics	Safe Production	40-52
GRI 403: Occupational Health and Safety 2018			
403—1	Occupational health and safety management system	Safe Production	40-52
403—2	Hazard identification, risk assessment, and incident investigation	Safe Production	40-52
403—3	Occupational health services	Safe Production	40-52
403—4	Worker participation, consultation, and communication on occupational health and safety	Safe Production	40-52
403—5	Worker training on occupational health and safety	Safe Production	40-52
403—6	Promotion of worker health	Safe Production	40-52
403—7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safe Production	40-52
403—8	Workers covered by an occupational health and safety management system	Safe Production	40-52
403—9	Work-related injuries	KPI Overview	124-132
403—10	Work-related ill health	KPI Overview	124-132
Training and Education			
GRI 3: Material Topics 2021			
3—3	Management of material topics	Employee Development	94-112
GRI 404: Training and Education 2016			
404—1	Average hours of training per year per employee	KPI Overview	124-132
404—2	Programs for updating employee skills and transition assistance programs	Employee Development	94-112
404—3	Percentage of employees receiving regular performance and career development reviews	All employees of the Company received regular performance and career development reviews during the Reporting Period.	—

GRI Standards	Disclosure Headline	Relevant Chapter(s) and/or Other Explanations	Page
Diversity and Equal Opportunity			
GRI 3: Material Topics 2021			
3—3	Management of material topics	Employee Development	94-112
GRI 405：Diversity and Equal Opportunity 2016			
405—1	Diversity of governance bodies and employees	Employee Development KPI Overview	94-112 124-132
Non-discrimination			
GRI 3：Material Topics 2021			
3—3	Management of material topics	Employee Development	94-112
GRI 406: Non-Discrimination 2016			
406—1	Incidents of discrimination and corrective actions taken	Employee Development	94-112
Freedom of Association and Collective Bargaining			
GRI 407: Freedom of Association and Collective Bargaining 2016			
407—1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	There was no infringement upon the freedom of association and right to collective bargaining at the Company or its suppliers during the Reporting Period, and there were no related risks.	—
Forced or Compulsory Labor			
GRI 3: Material Topics 2021			
3—3	Management of material topics	Employee Development	94-112
GRI 409: Forced or Compulsory Labor 2016			
409—1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Employee Development There was no incidents of forced or compulsory labour at the Company or its suppliers during the Reporting Period, and there were no related risks.	94-112
Rights of Indigenous Peoples			
GRI 411: Rights of Indigenous Peoples 2016			
411—1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	The Company was not involved in confirmed material incidents of violations involving rights of Indigenous Peoples during the Reporting Period.	—
Local Communities			
GRI 3: Material Topics 2021			
3—3	Management of material topics	Employee Development	94-112
GRI 413: Local Communities 2016			
413—1	Operations with local community engagement, impact assessments, and development programs	Green Recycling, Employee Development	53-76, 94-112
413—2	Operations with local community engagement, impact assessments, and development programs	Green Recycling	53-76
Supplier Social Assessment			
GRI 3: Material Topics 2021			
3—3	Management of material topics	Stable Supply	77-81
GRI 414: Supplier Social Assessment 2016			
414—1	New suppliers that were screened using social criteria	The Company applied social criteria in the screening of new suppliers during the Reporting Period.	—

GRI Standards	Disclosure Headline	Relevant Chapter(s) and/or Other Explanations	Page
Customer Health and Safety			
GRI 416: Customer Health and Safety 2016			
416—2	Incidents of non-compliance concerning the health and safety impacts of products and services	We were not involved in any violation of health and safety laws relating to products and services during the Reporting Period.	—
Marketing and Labeling			
GRI 417: Marketing and Labeling 2016			
417—2	Incidents of non-compliance concerning product and service information and labeling	During the Reporting Period, we did not have any violations of regulations or voluntary codes on product and service information or labelling, and we were not fined, penalised or warned.	—
417—3	Incidents of non-compliance concerning marketing communications	During the Reporting Period, we did not have any incidents of violation of regulations or voluntary codes of marketing communications, and we were not fined, penalised or warned.	—
Customer Privacy			
GRI 3: Material Topics 2021			
3—3	Management of material topics	Stable Supply	77-81
GRI 418: Customer Privacy 2016			
418—1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Stable Supply During the Reporting Period, we did not violate any regulations or voluntary codes that violated customer privacy or losses customer data, and we were not fined, penalised or warned.	77-81

中國光大綠色環保有限公司
CHINA EVERBRIGHT GREENTECH LIMITED

www.ebgreentech.com