



四川能投發展股份有限公司

Sichuan Energy Investment Development Co., Ltd.

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

Stock Code: 1713

2024

Environmental, Social & Governance Report



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1. ABBREVIATIONS

Unless otherwise stated in the Report, the following terms are defined as follows:

“Sichuan Energy Investment Development”	Sichuan Energy Investment Development Co., Ltd.
“The Report”	Sichuan Energy Investment Development Co., Ltd.’s 2024 Environmental, Social and Governance Report
“The Group”, “The Company” or “We”	Collective reference of Sichuan Energy Investment Development Co., Ltd. and subsidiaries
“During the year”, “2024” or “The Reporting Period”	1 January 2024 to 31 December 2024
“Headquarters”	Headquarters of Sichuan Energy Investment Development Co., Ltd., excluding its subsidiaries
“Subsidiaries”	Subsidiaries of Sichuan Energy Investment Development that are included in the Report’s scope (refer to section “2.1 Reporting Scope” for details)
“Board of Directors”	Board of Directors of Sichuan Energy Investment Development Co., Ltd.
“Employees”	Employees of Sichuan Energy Investment Development Co., Ltd.
“PRC”	People’s Republic of China
“SEHK”	The Stock Exchange of Hong Kong Limited
“The Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong
“the Guide”	Environmental, Social and Governance Reporting Guide (2023 version), Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“HSE”	Health, Safety and Environment
“ESG”	Environmental, Social and Governance
“ESG Working Group”	Environmental, Social and Governance Working Group
“Yuan”	Renminbi yuan, the lawful currency of PRC
“Kilowatt-hour” or “kWh”	Unit of energy, equivalent to the amount of energy produced in one hour by a generator with a power of one kilowatt
“Megawatt-hour” or “mWh”	Unit of energy, equivalent to 1,000 kWh

2. ABOUT THE REPORT

This is the seventh ESG report issued by Sichuan Energy Investment Development after listing on SEHK. The purpose of the Report is to report on the Group's sustainability-related performance for the year 2024 and to address sustainability-related issues of concern to the Group's key stakeholders. The Report also details the Group's governance on sustainability and how the sustainability concept is integrated with the business to identify and manage various risks and opportunities.

The Report is published in both Traditional Chinese and English. If there were any discrepancies in the Report content, the Traditional Chinese version shall prevail. The electronic version of the Report can be read and downloaded through the Group's official website and SEHK website.

2.1 REPORTING SCOPE

The Report covers Sichuan Energy Investment Development's headquarters and its subsidiaries that mainly affect Sichuan Energy Investment Development's performance, assets or liabilities. The list of subsidiaries and their principal activities are as follows:

Subsidiaries	Abbreviations	Subsidiaries' Business Location	Main Business
Sichuan Energy Yibin City Xuzhou Electricity Co., Ltd.	Sichuan Energy Xuzhou Electricity	Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Development and Construction Co., Ltd.	Sichuan Energy Investment Development and Construction	Gao County, Yibin City, Sichuan Province	Electrical Installation
Sichuan Energy Investment Gong County Electricity Co., Ltd.	Sichuan Energy Gong County Electricity	Gong County, Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Gao County Electricity Co., Ltd.	Sichuan Energy Gao County Electricity	Gao County, Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Yibin Power Generation Co., Ltd.	Sichuan Energy Yibin Power Generation	Gao County, Yibin City, Sichuan Province	Power Generation
Sichuan Energy Power Investment Pingshan Electricity Co., Ltd.	Sichuan Energy Pingshan Electricity	Pingshan County, Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Xingwen Electricity Co., Ltd.	Sichuan Energy Xingwen Electricity	Xingwen County, Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Junlian Electricity Co., Ltd.	Sichuan Energy Junlian Electricity	Junlian County, Yibin, Sichuan Province	Electricity Sales
Shuifu Yangliutan Power Generation Co., Ltd.	Sichuan Energy Yangliutan Power Generation	Shuifu City, Yunnan Province	Power Generation
Sichuan Energy Investment Electric Energy Co., Ltd.	Sichuan Energy Electric Energy	Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Gao County Integrated Energy Co., Ltd.	Sichuan Energy Gao County Integrated Energy	Gao County, Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Junlian Green Energy Co., Ltd.	Sichuan Energy Junlian Green Energy	Junlian County, Yibin, Sichuan Province	Electricity Sales
Sichuan Energy Investment Changning Green Energy Co., Ltd.	Sichuan Energy Changning Green Energy	Changning County, Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Xingwen Green Energy Co., Ltd.	Sichuan Energy Xingwen Green Energy	Xingwen County, Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Xingwen Clean Energy Technology Co., Ltd.	Sichuan Energy Xingwen Clean Energy Technology	Xingwen County, Yibin City, Sichuan Province	Electricity Sales

2. ABOUT THE REPORT

The information and the calculation method given in the Report have not been restated with significant impact compared with the Report in the previous year. The scope of the Report has broadened compared to the interim report released on September 2024 due to the establishment of the new subsidiaries (Sichuan Energy Xingwen Clean Energy Technology) by the Group during the Reporting Period. Unless otherwise stated, the timeframe of the Report is from 1 January 2024 to 31 December 2024.

2.2 CONFIRMATION AND APPROVAL

The Board of Directors has overall responsibility for the Group's ESG strategy and report and has reviewed and approved the Report. The data and other information publicly disclosed herein are primarily derived from internal documents, reports and statistical results. The Board of Directors undertakes that the contents of the Report do not contain any false records, misleading statements or major omissions, and is ultimately responsible for the truthfulness, accuracy, and completeness of the Report.

2.3 REPORTING GUIDELINES

The Report has been prepared in accordance with the requirements of the mandatory disclosure requirements and "comply or explain" provisions set out in the Guide. The four ESG reporting principles of the SEHK: Materiality, Quantitative, Balance and Consistency have been applied as the four core reporting principles in the preparation of the Report.

Materiality:

Through the review of materiality issues, the Group identified and confirmed the materiality issues applicable to the Group during the Reporting Period and highlighted the relevant issues for disclosure in the Report.

Quantitative:

To comprehensively assess the Group's ESG performance during the Reporting Period, the Group disclosed the applicable quantitative Key Performance Indicators (KPIs) in the Guide and set out the criteria, methods, assumptions and reference bases for the calculation of the quantitative KPIs, including the sources of the key conversion factors.

Consistency:

Unless otherwise stated, the Report uses the same compilation and data calculation methodology as the previous reporting period for readers to make meaningful comparisons of ESG information in the Report.

Balance:

The Report follows the principle of balance and objectively presents the Group's ESG performance and management status during the Reporting Period.

2.4 CONTACT US

We welcome your comments and suggestions on the Report. You can also contact the Group by the following methods:

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3. CHAIRMAN'S STATEMENT

In 2024, Sichuan Energy Investment Development Co., Ltd. remained steadfast in its commitment to public service. Guided by our overarching principle of “safeguarding livelihoods, ensuring safety and supply stability, driving technological innovation, and promoting high-quality development”, we coordinated advancements across production operations, reform initiatives, power supply services, and safety-environmental protection. Substantial achievements were made in green development, environmental conservation, corporate governance and social responsibility. As a culmination of these efforts, we secured the inaugural position on China's 2024 ESG Top 200 List for Energy Sector Listed Companies, ranking 125th among 636 energy industry counterparts.

We remain deeply cognisant of climate change's formidable challenges, persistently enhancing investments in green energy initiatives, energy conservation-emission reduction strategies, and sustainable supply chain governance. Through technological innovation and operational optimisation, we have achieved substantive progress in carbon emission mitigation and resource circularity. Notably, we have successfully pioneered China's first direct-connection direct-supply green power microgrid with end-to-end traceability. We reaffirm our commitment to advancing ecological transition initiatives, thereby contributing meaningfully to global environmental stewardship efforts.

We steadfastly uphold a people-centric approach, striving to create a fair, safe, and healthy working environment for our employees. We promote a culture of diversity and inclusion while supporting professional development and career advancement. Simultaneously, we actively engage in social welfare initiatives, giving back to society and fulfilling our corporate social responsibilities.

We continuously refine our internal control and risk management systems to ensure operational transparency and compliance. We prioritise shareholder interests while also addressing the well-being of all stakeholders, seeking to achieve sustainable long-term development alongside economic prosperity.

Moving forward, we will maintain green energy as a core strategic focus, driving coordinated progress across economic, environmental, and social dimensions. We firmly believe that only through this holistic approach can we genuinely realise the enduring value and sustainable growth of our enterprise.

Chairman

Jing He

26 March 2025



4. ABOUT US

Sichuan Energy Investment Development was established in Chengdu, Sichuan Province on 29 September 2011 and listed on the Main Board of the Stock Exchange in December 2018. It is the first H-share listed company in the domestic electricity distribution and sale industry.

We are a vertically integrated power supplier and service provider serving Yibin City, Sichuan Province, with an integrated power service of power generation, distribution and sales. We have a stable user base and an integrated power supply network in Yibin City, which enables us to optimise the utilisation of surplus power resources in our power supply network through efficient power distribution. Our business consists of (i) power business, which includes power generation, distribution and sales, and is divided into general power supply business and incremental power transmission and distribution business; and (ii) electricity engineering construction service (EECS) business, which includes EECS business and sales of electric equipment and materials.

Looking forward, we will actively participate in the reform of China's power industry and extend the industry service chain; pursue acquisition opportunities to continue to expand our market share; improve the structure of power grids and the level of informatisation; strengthen cost control and continuously improve profitability; focus on diversified development, create an industrial picture with complementary advantages, and strive to become a world-class listed company of modern integrated energy services, to create higher and better investment returns for all shareholders.

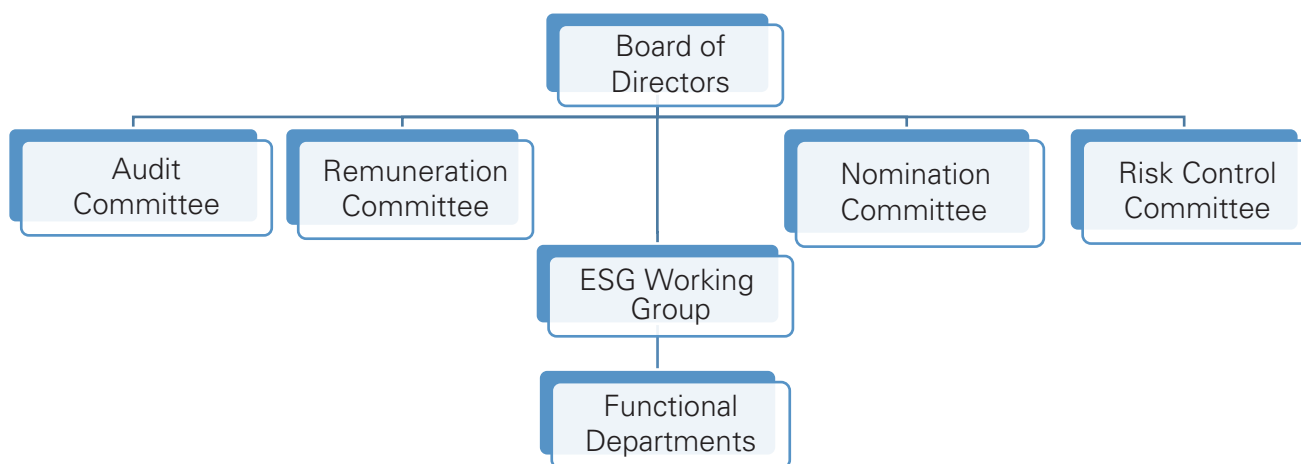
As of the end of the Reporting Period, the Group recorded revenue of RMB4,775.6 million, representing a year-on-year increase of 14.8%. Our total assets amounted to RMB7.36 billion, representing a year-on-year increase of 16.5%. As of December 31, 2024, we owned a total of 6 hydropower plants with an aggregate installed capacity of 127,030 kW. We also have 3 of 220-kV substations with a total transformer capacity of 1,080,000 kVA, 24 of 110-kV substations with a total installed capacity of 1,795,400 kVA and 58 of 35-kV substations with a total transformer capacity of 628,600 kVA.

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

5.1 ESG GOVERNANCE STRUCTURE

The Group has established an ESG governance framework directly overseen by the Board of Directors, dedicated to coordinating sustainability-related matters. This framework ensures the comprehensive integration of ESG elements into all operational processes and business decision-making, providing a robust foundation for the Group's sustainable development.

To execute our ESG strategy, the Group has formed a dedicated ESG Working Group. Members of the ESG Working Group include representatives from all functional departments involved in ESG matters across the Group, as well as ESG leads from subsidiary companies. The ESG Working Group is chaired by the Group's ESG person in charge, who reports directly to the Board of Directors on ESG issues and provides feedback to the Board of Directors, senior management, and relevant departments as required.



The **Board of Directors** serves as the highest decision-making body in the Group's ESG governance framework. Its remit encompasses: overseeing the overall ESG strategy; reviewing and making decisions on ESG risks and opportunities related to the Group's business; ensuring implementation of appropriate and effective ESG management frameworks and internal control mechanisms; formulating ESG governance principles, strategy, priorities and objectives. Furthermore, the Board of Directors is responsible for periodically reviewing the performance of ESG objectives and approving the disclosure materials in the ESG reports.

The **ESG Working Group** is authorised by the Board of Directors to participate in the Group's ESG-related matters. Its primary responsibilities include coordinating the implementation and execution of all ESG-related work by the functional departments of the headquarters and subsidiaries. In addition, the ESG Working Group regularly briefs the Board of Directors on critical ESG matters and operational progress while disseminating the Group's strategic ESG directives and actionable measures. It also collects and consolidates ESG-related management measures and performance metrics to inform Board decision-making. The ESG Working Group is further tasked with gathering the information required for the ESG report from the functional departments of the Group and submitting the report to the Board of Directors for approval. Based on practical insights from ESG implementation, the ESG Working Group will formulate improvement suggestions to the members of the Board of Directors, so that the Board of Directors can continuously and effectively implement ESG supervision matters.

All functional departments and subsidiaries are responsible for the management and data collection of specific ESG initiatives within their respective domains. They adhere to the established ESG management frameworks and procedural guidelines to guarantee comprehensive implementation of ESG governance across all business operations.

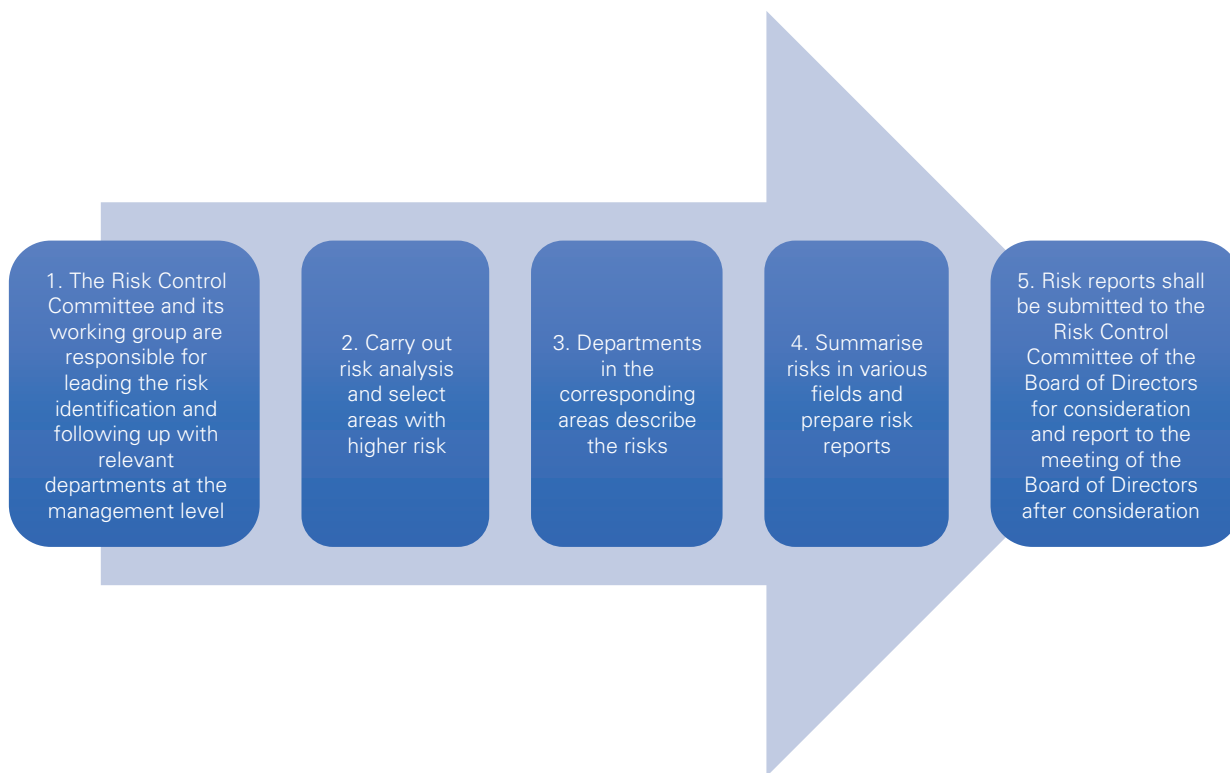
5. SUSTAINABLE DEVELOPMENT MANAGEMENT

5.2 ESG RISK MANAGEMENT

A sound and effective risk management system is an integral part of corporate governance. We have built a comprehensive risk management system, which is further extended to sustainable development management, so as to identify, evaluate, prioritise and manage the major ESG risks that may be exposed in the operation. The system enhances the Group's risk management and control culture and lays a solid foundation for our sustainable development.

As the ultimate decision-making body, the Board of Directors bears overarching responsibility for assessing and defining the Group's principal ESG risks, ensuring the establishment and maintenance of appropriate and effective risk management and internal control systems. To fulfil this responsibility, the Board of Directors has established a Risk Control Committee, authorised to oversee management in designing, implementing, and monitoring risk management and internal control systems. ESG risks are integrated into the existing risk management framework, with standardised processes in place to identify and manage business-related ESG risks.

The Risk Control Committee conducts regular reviews of the Group's risk profile, including ESG risks, and provides expert recommendations to the Board of Directors. This governance structure ensures that the Group holistically addresses ESG risks, enabling timely mitigation and management through an effective risk control mechanism. Such measures strengthen our operational resilience and sustainability.



5. SUSTAINABLE DEVELOPMENT MANAGEMENT

The material ESG risks identified by the Group in 2024 and the corresponding measures are as follows:

Material ESG risks	Potential impact	How we respond
Extreme weather risk	More frequent extreme weather will lead to heavy rainfall, thunderstorms and storms, which will cause serious damage to power supply facilities such as power lines and wire rods.	In order to ensure normal production and operation, we continue to strengthen the construction of emergency response capabilities. The Group has formulated systems such as the <i>Emergency Plan for Flood Control</i> , <i>Emergency Plan for Severe Weather Disaster</i> , <i>Emergency Plan for Preventing and Responding to Wind Weather Accidents</i> and <i>Emergency Plan for Preventing and Responding to High Temperature and Drought</i> to improve emergency response capabilities, reduce the damage to people's lives and property safety caused by extreme weather, and assist in the effective recovery of the affected areas.
Fire risk	The Group's transmission and distribution facilities are mostly installed in outdoor open areas and forest fires will cause physical damage to the Group's assets.	The Group implemented the unified arrangement for forest fire prevention in Sichuan Province, and avoided the laying of routes in forest areas through reasonable deployment of insulation lines, high span and electrical protection, and strengthened the monitoring and control of power supply equipment to continuously improve the fire prevention level of equipment and prevent fire risks. No forest fire reports were received during the Reporting Period.
Water risk	The Group's power generation mainly relies on water resources. The drought and decrease in rainfall caused by climate change will affect the Group's hydroelectric power generation.	We increased the reserve of purchased power to facilitate needs from time to time; During non-drought seasons, water is stored as much as possible according to the reservoir volume; In addition, we reduced the power consumption of high-energy-consuming enterprises, promoted the use of electricity, and try our best to ensure the consumption of electricity for people's livelihood.

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

Material ESG risks	Potential impact	How we respond
National energy policy risk	The Group's high-energy-consuming users have self-built residual heat power generation. Therefore, the policy has little impact on the sales end and provides broader opportunities for the power generation end.	We deeply adhere to the corporate mission of Sichuan Province Energy Investment Group Co., Ltd., "Empowering Green and Low Carbon Enterprise with Technology", seizing the development opportunities of "Electric Sichuan" and "Electric Yibin." Sichuan Energy Investment Development vigorously expanded businesses such as smart comprehensive energy stations, charging and swapping stations, distributed photovoltaic power generation, energy services for industrial parks, and urban distributed comprehensive energy. We have established Sichuan Energy Investment Xingwen Clean Energy Technology Co., Ltd. (10 July, 2024), to comprehensively lay out green energy deployment, effectively promote coordinated development of "source-grid-load-storage" in all aspects, actively participate in building a new type of power system, and help solidify the foundation for achieving the "dual-carbon" goals of PRC.
Talent training risk	Failure to provide suitable and effective training to employees may adversely affect the competitiveness and development of the Group; inappropriate training may cause unnecessary waste of the Group's resources.	We have formulated the <i>Trainer Management Measures</i> to enhance the quality of internal and external trainers within the Group, ensuring the reliability of employee training and safeguarding the foundation of training. Additionally, to standardise the management of employee education and training, to advance the scientific, institutional, and standardised development of education and training within the Group, and to establish a learning-oriented organisation and cultivate a talent pool that adapts to the Company's development, we have also established the <i>Sichuan Energy Investment Development Co., Ltd. Education and Training Management Measures (2023 Edition)</i> for the scientific selection and utilisation of talent.

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

Material ESG risks	Potential impact	How we respond
Health and safety risks	Safety accidents that occur during the operation of projects will cause harm to employees and electricity users.	In order to prevent and curb all kinds of safety accidents, we carried out inspections on key time slots, important areas and important parts, and continued to investigate and rectify hidden dangers of safety production risks. For facilities such as power substations and dispatch centres, the senior management regularly conducts supervision on key projects and special inspections on production safety before festivals/quarterly to ensure the safe and stable operation of power grid equipment.
Risk of talent loss	The competitiveness of an enterprise may be affected by the loss of talent. The enterprise needs to re-recruit employees and provide training, and the cost of human resources will increase accordingly. The Company's operation may also be affected by the resignation of key employees.	To standardise the employee recruitment process within the Group and meet the talent requirements for the Company's continuous, stable, and rapid development, we have developed and continuously updated the <i>Sichuan Energy Investment Development Co., Ltd. Employee Recruitment Management Measures</i> . The Human Resources Department conducts an annual reassessment and analysis of the Company's employee structure. Based on the vacancy situation, the need for key talents and professional expertise, we formulate the talent requirements and hiring plan for the next year, ensuring the stable operation and production of the Company. By the relevant national policies, the Group actively promotes the construction of a talent promotion channel and salary system that combines management, technology and skills, and continuously improves it based on the actual situation of the Group, so as to provide employees with sound salaries and welfare guarantees and enhance their sense of belonging.
Risk of fraud and bribery	Corruption within the Company may affect its operation and damage the interests of the Company and shareholders.	We conduct pre-employment training for newly hired employees with the theme "Upholding Party Discipline and National Laws." The training aims to establish an anti-corruption and integrity-driven corporate culture from the moment employees join the Company. We have also formulated the <i>Anti-fraud and Bribery Management Measures</i> and the <i>Assessment Measures for the Responsibility System for the Construction of Party Conduct and Clean Government (Trial)</i> and other policies. The Discipline Inspection and Supervision Department is responsible for leading the organisation and implementation of anti-fraud and anti-bribery work within the headquarters of the Group and our subsidiaries and conducting continuous supervision, leading all departments and subsidiaries of the Group to conduct annual fraud risk assessment, reporting to the management on the implementation of anti-fraud and anti-bribery work, ensuring under the supervision of the Board of Supervisors, helping to provide integrity publicity training and symposium activities, and conducting anti-fraud and anti-bribery case investigations. At the same time, we have established the <i>Whistle-blowing Management System</i> , setting out the reporting channels for fraud and bribery.

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

5.3 ESG TARGETS

The Group has long adhered to a responsible operational philosophy, committed to balancing environmental, social, and economic benefits. We have formulated the “overall goal of green enterprise construction” to advance and implement ESG initiatives. By fully integrating sustainability elements into all facets of operations and business decision-making, we ensure our operational models remain closely aligned with ESG principles.

In order to ensure the stable achievement of ESG goals and strategies, the Board of Directors authorises the ESG Working Group to review the progress every year, and formulates the following strategies for environmental-related indicators:

Emission Reduction Strategy

To effectively reduce the energy consumption of vehicles and the emission of pollutants such as carbon dioxide, we advocate for energy conservation and emission reduction in the use and management of office vehicles. We also encourage staff to use public transportation for green commuting. We ensure that we maximise the efficiency of each use of our vehicles through rational car usage planning and standardised car usage application procedures.

Waste Reduction Strategy

For sulphur hexafluoride, the only hazardous waste generated in the production and operation process, we adopt high quality circuit breakers and dispose of the circuit breakers within the designed product life. Therefore, only a very small amount of sulphur hexafluoride is produced each year. When the circuit breaker is disposed, the Group strictly complies with the requirements of hazardous chemicals management and entrusts qualified companies in hazardous waste disposal.

Energy Efficiency Strategy

In order to actively respond to the national energy-saving strategies and policies, the Group has set medium- and long-term targets for energy conservation to further reduce energy consumption. During the transmission and distribution process, we will gradually replace high-loss transformers with more energy-efficient transformers to reduce the line loss of distribution network technology. In addition, through major measures such as appropriate adjustment of the operating voltage of the power grid, we have successfully reduced waste in the transmission of electricity, improved transmission efficiency and reduced production costs. In our daily operations, we actively promote the importance of energy conservation and consumption reduction. Simultaneously, we strengthen supervision of energy conservation measures, encouraging everyone to save electricity, water, paper, fuel, and to reuse items whenever possible. This initiative motivates all staff to participate in energy conservation efforts, fostering a positive atmosphere where everyone cares about and consciously practices energy conservation.

Water Efficiency Strategy

The Company actively engages in environmental protection initiatives, dedicating efforts to research and conservation projects for ecological diversity. We promote resource restoration and environmental improvement in our region with developing distinct projects such as water quality protection and fish restocking. Our hydropower stations diligently implement ecological conservation measures during fishing bans, effectively protecting aquatic resources and the ecological environment of water bodies. We have placed warning signs to prohibit fishing around the hydropower stations and reservoir areas, with dedicated personnel conducting regular inspections to prevent illegal fishing activities. In addition to biodiversity protection, the Company also places great emphasis on the cleanliness of water bodies. Special funds are allocated annually for the removal of river rubbish, with monthly collections of river rubbish stored at designated locations. These are then transported and processed by specialised agencies, ensuring a continuous improvement in the ecological quality of the water bodies in our jurisdiction. In 2024, the Group released over 170,000 fry of species such as yellow catfish and carp for fish restocking, while also removing 471 tons of rubbish from the rivers.

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

5.4 STAKEHOLDER ENGAGEMENT

Effective communication with stakeholders is a critical component of ESG management. Our key stakeholders include government and regulatory bodies, investors, employees, clients, suppliers, and communities. Through diversified communication channels and methods, we proactively engage in dialogue and exchange with stakeholders to gain in-depth insights into their needs and expectations. This enables us to provide tailored responses, ensuring transparency and inclusivity in ESG management.

Stakeholders	Key concerns	Communication methods	Key actions in 2024
Governments and regulatory authorities	<ul style="list-style-type: none"> State-owned assets preservation and appreciation Fulfil social responsibility Enhance business environment Boost economic development Safe and reliable power supply Environmental protection measures in place Legal taxation Operate per the law and regulations 	<ul style="list-style-type: none"> Participate in related policy discussions and compile a special investigation report Conduct seminars Compliance disclosure 	<ul style="list-style-type: none"> Implement national policies Comply with national laws and regulations Enhance business environment Accept regulatory compliance Fulfil social responsibility
Investors	<ul style="list-style-type: none"> Financial performance Corporate governance Return on investment Information transparency Protection of shareholders' rights and interests and fair treatment of shareholders 	<ul style="list-style-type: none"> Shareholders general meeting and other shareholders meetings Regular reports, announcements, circulars and information disclosed on the website of SEHK Daily communication 	<ul style="list-style-type: none"> Hold shareholders general meetings and Board of Directors meetings regularly Disclose in a timely manner
Employees	<ul style="list-style-type: none"> Salary and benefits Rights protection Career development Safety and health Corporate culture 	<ul style="list-style-type: none"> Employee supervisor in the supervisory board Labour union organisations, employee representatives Employee opinion surveys, employee discussions, and feedback channels Daily communication 	<ul style="list-style-type: none"> Cultivate and establish a corporate culture Strengthen employees' professional skills training Provide a comprehensive compensation system Protect employees' rights and benefits Guarantee employees' health and safety

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

Stakeholders	Key concerns	Communication methods	Key actions in 2024
Customers	<ul style="list-style-type: none"> • Safe and reliable power supply • Legal prices and regulations • High quality and efficient service • Timely response 	<ul style="list-style-type: none"> • Publish service information • Customer visits • Communication during service • Service hotline and electricity business mobile application • Customer opinion survey and feedback 	<ul style="list-style-type: none"> • Efficient dispatch and reliable power supply • Adjust electricity prices according to policies • Emergency response in case of disaster • Sincere service, customer first • Clarify authority and protect privacy • Innovative services for users
Suppliers	<ul style="list-style-type: none"> • Jointly comply with business ethics and national laws and regulations • Strictly comply with environmental protection policies and regulate safety management • Keep promises and mutual benefit 	<ul style="list-style-type: none"> • Publish supplier and contractor management regulations • Share management experience and technical standards • Daily business communication • Cooperation Agreement 	<ul style="list-style-type: none"> • Establish an open and transparent project bidding system • Prepare legal and fair contracts • Actively communicate and coordinate with contractors to create a safe and healthy operating environment • Provide equal opportunities for suppliers
Community	<ul style="list-style-type: none"> • Support regional economic development • Alleviate poverty • Community service • Social responsibility 	<ul style="list-style-type: none"> • Communicate with local governments • Co-construction • Public volunteer activities • Community visits and communication 	<ul style="list-style-type: none"> • Alleviate poverty • Focus on grid power construction • Focus on public welfare • Carry out volunteer activities

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

5.5 ASSESSMENT OF MATERIAL ESG TOPICS

Stakeholder engagement is an important tool for evaluating material ESG topics. The Group invited stakeholders to conduct a materiality assessment to ensure that the Report addresses the key topics of concern to the Group. The following illustrates the detailed process of the materiality assessment:

Step 1: Identifying major stakeholders and updating ESG topics

The Group considered the stakeholders' "degree of impact on the enterprise", "degree of impact by the enterprise" and feasibility factors etc. and formulated a list of key stakeholders participating in the materiality assessment. At the same time, with reference to the compliance requirements of the ESG Guide, the ESG topics of the previous year and the peer benchmarking analysis, we selected and updated 27 ESG topics related to the Group.

Step 2: Inviting key stakeholders to participate in the assessment

We invited major internal and external stakeholders identified in Step 1 to participate in the materiality online survey. Stakeholders involved include directors, management, employees, shareholders/investors, customers, suppliers and the community. Internal and external stakeholders ranked the ESG topics in ESG aspects by importance from the Group's perspective and their own perspective, respectively.

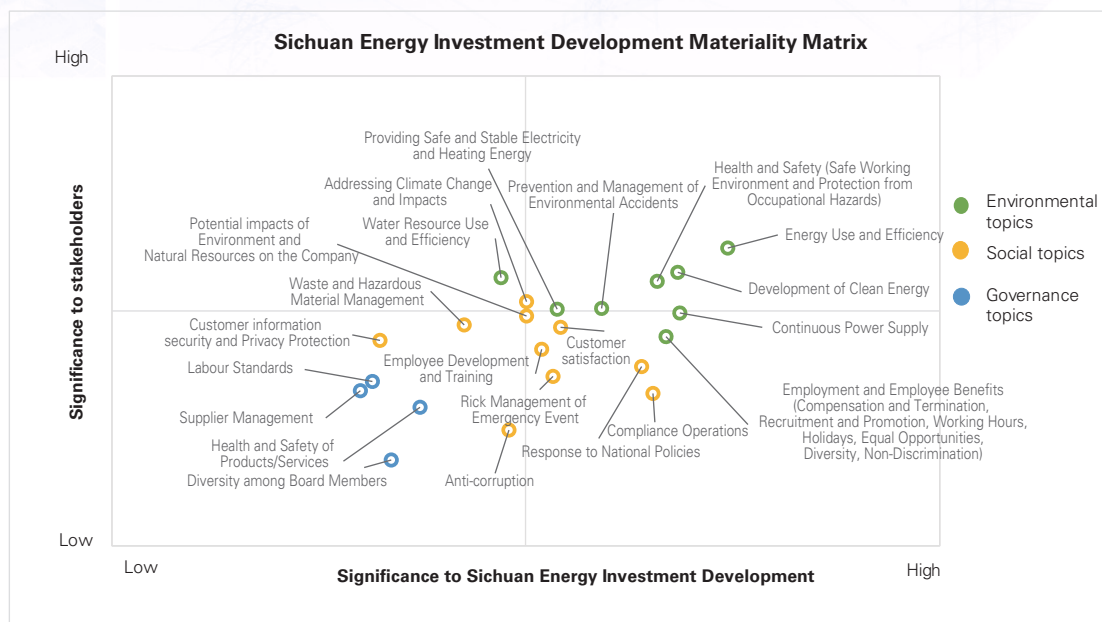
Step 3: Evaluating material topics

The Group reviewed the importance of ESG topics at each level based on two dimensions, namely "significance to stakeholders" and "significance to Sichuan Energy Investment Development". We consolidated the ranking of all internal and external stakeholders to determine the relative importance of ESG topics in the two dimensions. The ESG topics are considered as "material topics" with a relative importance of half or more in both dimensions. We identified a total of 12 material topics in three ESG aspects.

Step 4: Inviting the Board of Directors to determine material topics

The Board of Directors are invited by email and by written form to confirm the results of the material topics to ensure that the results are in line with the Group's sustainable development strategy. We have made detailed disclosures of material topics in the subsequent sections of the Report to specifically address stakeholders' concerns.

5. SUSTAINABLE DEVELOPMENT MANAGEMENT



Materiality ranking (From high to low)	2024 material ESG topics
1	Development of Clean Energy
2	Energy Use and Efficiency
3	Continuous Power Supply
4	Health and Safety
5	Potential Impacts of Environmental and Natural Resources on the Company
6	Customer Satisfaction
7	Provides Safe and Stable Electricity and Heating Energy
8	Water Resource Use and Efficiency
9	Addressing Climate Change and Impacts
10	Employee Development and Training
11	Prevention and Management of Environmental Accidents
12	Employment and Employee Benefits

Based on the results of the above materiality assessment, we will focus on the disclosure of the above matters in the Report to effectively respond to the ESG topics that the stakeholders are concerned about, and at the same time help us focus on the work of sustainable development.

6. ROBUST OPERATION

The Group steadfastly adheres to all applicable laws and regulations in conducting its business operations, while continuously enhancing its legal governance framework and improving internal management systems. Committed to delivering high-quality services, we prioritise customer satisfaction and safeguard customer rights. Building on this foundation, we strengthen our capabilities in managing environmental and social risks across the supply chain, advance the development of a corporate integrity culture, and comprehensively drive the Group's sustainable development. Moving forward, we will continue to adhere to the principles of regulatory compliance and quality excellence to ensure the Group's healthy and stable growth while contributing to the sustainable progress of society and the environment.

6.1 QUALITY GUARANTEE

To ensure and continuously improve the quality of services, the Group strictly complies with the following laws and regulations that have a significant impact on the Group relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress during the Reporting Period (including but not limited to):

Electric Power Law of the People's Republic of China	Rules of Power Supply Business	Product Quality Law of the People's Republic of China	Product Quality Law of the People's Republic of China	Patent Law of the People's Republic of China
Trademark Law of the People's Republic of China	Copyright Law of the People's Republic of China	Law of the People's Republic of China on the Protection of Consumer Rights and Interests	Standardisation Law of the People's Republic of China	Laws of the People's Republic of China on Import and Export Commodity Inspection
Advertising Law of the People's Republic of China	Regulation for the Implementation of the Trademark Law of the People's Republic of China	Trademark Law Treaty	World Intellectual Property Organization Copyright Treaty	United Nations Guidelines for Consumer Protection

6.1.1 Safe Power Supply

The Group's core mission is to ensure the safe operation of power grids and the stable power supply. We are committed to providing customers with safe and reliable electricity services and to safeguarding the lives and properties of the public. We sell electricity mainly from the Group's owned hydropower plants and electricity purchased from third-party suppliers. Through a series of power supply facilities, including step-up and step-down substations, and transmission and distribution lines (for terminal users), we provide high-quality power supply services to industrial, commercial, household and other users.

In order to implement the requirements of laws and regulations such as the *Electric Power Law of the People's Republic of China*, and *Rules of Power Supply Business* in relation to power supply safety and power grid management, the Group has formulated policies such as the *Environmental and Safety Targets Management System* and *Safety Production Management Standards* to standardise internal safety production management and continuously improve the level of power supply service. Additionally, we have implemented technical upgrades to ageing equipment, optimised grid infrastructure, and enhanced equipment inspection and maintenance regimes to ensure optimal operational conditions. These measures have collectively elevated power supply reliability and energy quality standards, reinforcing our commitment to delivering consistent, high-performance service across our networks. During the Reporting Period, the Group did not advertise while focused on improving the quality of power supply service and providing better services to customers. The power supply service provided did not involve labelling. Therefore, there was no relevant internal policy.

6. ROBUST OPERATION

The Group strictly complies with the relevant requirements of the *Rules of Power Supply Business* to conduct power supply quality inspection to ensure the provision of high-quality power supply services to customers. The rules set out in detail the specific implementation process and evaluation criteria for power supply quality inspection, covering the permitted deviation of power supply frequency under normal operating conditions of the power system, evaluation indicators for planned maintenance of power supply equipment, etc. For example, during planned maintenance of power supply and utilisation equipment, customers supplied with 35 kV and should experience no more than one power outage per year, while those supplied with 10 kV should have no more than three outages annually, ensuring high-quality power supply services. The nature of the Group's business is mainly power generation, transmission and distribution. Therefore, the product recall procedures are not applicable to the Report.

6.1.2 Customer Service

Customer service remains central to our operations. Guided by a customer-centric philosophy, we prioritise maintaining strong client relationships and ensuring the provision of secure and reliable power supply services. Rather than engaging in advertising, the Group focuses on elevating service quality to deliver exceptional customer experiences. Through policies such as the *Environmental and Safety Targets Management System*, we have further refined our safety and environmental frameworks, standardised safety protocols and environmental conservation efforts, and enhanced service reliability. Concurrently, we rigorously implement information security management standards, fortify cybersecurity measures in accordance with the *Marketing System Access Authority Management Specification and Network Security Management Measures*, and reinforce safeguards against client privacy breaches. By adhering to high standards in data handling and management, we effectively mitigate risks and ensure the security of customer data and privacy.

Effective communication with customers and improving customer satisfaction is the key to our service quality. Therefore, we actively listen to customers' opinions and suggestions to continuously improve service quality. Since 2018, we have established a customer service hotline to receive and respond to customer complaints or inquiries regarding electricity supply services. Additionally, we have formulated the *Administrative Measures for the Reporting of Complaints about Power Supply Services (Trial)* and the *Special Reporting System for Complaints and Reports*, further standardising the process for handling complaints and reports. It is explicitly stated in these measures that we should adhere to the principles of "speedy, flexible, and accurate" when dealing with complaints and reports. We have also specified departmental responsibilities and division of work, as well as the definition and classification of complaints and reports, acceptance, and processing procedures in handling electricity supply service complaints and reports. Moreover, we uphold the principles of "who holds, who is responsible," "who organises, who is responsible," and "who implements, who is responsible" in the management of electricity supply service complaints and reports. Through investigation, analysis of complaints and reports, Special Reporting System for Complaints and Reports, rewards and penalties, we effectively prevent and control the occurrence of complaints and reports on electricity supply services, further enhancing service quality and customer satisfaction.

**Customer service
hotline 12398**

***Administrative Measures for the Reporting of
Complaints about Power Supply Services (Trial)***

***Special Reporting System
for Complaints and Reports***

Based on the content and nature of the complaints, the operation management department of the headquarters and the marketing department of each subsidiary classify and submit complaints to the relevant departments for handling after filling out the complaint acceptance form. The relevant department will complete the investigation and reply to the complainant within five working days. During the Reporting Period, we received 31 customer complaints, all of which were promptly investigated and resolved in strict accordance with internal policies, including the *Administrative Measures for the Reporting of Complaints about Power Supply Services (Trial)* and the *Notice on Further Standardising Complaint Handling Procedures*.

In addition, to understand customers' satisfaction with the services, we listen to customers' opinions and suggestions through various channels such as on-site services, customer visits, safe electricity consumption publicity and satisfaction surveys, and improve service quality on the basis. At the same time, we also invite customers to fill in the Customer Questionnaire Survey and grade our services such as power supply safety, power supply stability, power supply information communication, and payment services.

6. ROBUST OPERATION

During the Reporting Period, our total score in the annual customer satisfaction survey was 100 out of 100.



6.1.3 Information Security and Privacy

Protecting the privacy of our customers is an important part of the Group's long-term endeavours. As the Group's operations involve the private information of a large number of end users and individual users, we have established a comprehensive network management and information security system to prevent customer privacy leakage and protect the Group's information security.

At the same time, to improve network security management, we have formulated the *Marketing System Access Authority Management Specification and Network Security Management Measures* to regulate the management of authority in the information system, including management principles, authority application procedures, division of work among departments, etc., and authorise confidential information at different levels to ensure that only authorised personnel within the business scope can access customer information, thereby effectively reducing the risk of information leakage.

In addition, the above-mentioned Measures also detail various aspects of network security management. The Information Security Centre is responsible for the Group's network management and information security system construction and maintenance while regularly monitoring and analysing network security through the use of equipment and technologies such as intrusion detection and vulnerability scanning. In the event of network anomalies and serious impact on the business, the information centre will report to the superior in accordance with the incident handling process to ensure that the network equipment is in safe operation status, therefore protecting customer privacy and the Group's information security. We will continue to strengthen these security measures relentlessly to ensure the integrity, confidentiality, and availability of our networks and information to provide more reliable service protection for our customers.

6. ROBUST OPERATION

6.1.4 Maintenance and Protection of Intellectual Property Rights

The Group strictly complies with the *Patent Law of the People's Republic of China*, *Copyright Law of the People's Republic of China*, the *World Intellectual Property Organization Copyright Treaty* and other laws and regulations related to intellectual property rights. In addition, we have established internal intellectual property protection measures based on the above laws and regulations. In the course of business cooperation with other enterprises, we have strengthened the protection of trade secrets and intellectual property rights through the signing of legal documents such as the *Confidentiality Agreement*, so as to effectively safeguard the core competitiveness and intellectual property assets of the Company.

We maintain rigorous commitment to intellectual property rights protection. To enforce licensed software usage and clarify accountability structures, the Group issued the *Notice on Adjusting the Members of the Software Authentication Working Group* alongside formulating comprehensive regulations and operational protocols for legal software compliance, ensuring coordinated implementation across departments. To institutionalise standardised licensed software management, we concurrently issued the *Administrative Measures for the Authentication of Software*, establishing robust long-term governance frameworks. Furthermore, aligned with operational requirements, we developed a strategic procurement programme to acquire licensed versions of industry-standard software including WPS and CAD. These measures safeguard operational integrity, strengthen information system security, and effectively mitigate copyright infringement risks across all business units.

In the Reporting Period, we established and revised 25 cybersecurity-related management systems, such as the *Overall Cyber Security Policy and Security Strategy*, institutionalising a structured, process-driven, and standardised approach to information and cybersecurity management. Additionally, guided by the *Sichuan Energy Investment Group Co., Ltd. 2024 Legal Software Compliance Implementation Plan*, we conducted awareness campaigns and training sessions to promote genuine software compliance. Routine self-inspections were carried out, alongside dedicated meetings to refine implementation quality. A specialised task force conducted thorough checks on genuine software installation across the Group and its subsidiaries. By the end of the Reporting Period, 11 subsidiaries had achieved full genuine software compliance, 85 employees participated in training programmes, and 42 newly procured licensed software licences were deployed.

Beyond routine cybersecurity maintenance, we actively pursue innovative research and development initiatives to bolster operational efficacy. Our focus on pioneering technological advancements has yielded tangible results, notably securing a patent for our "Drone-Assisted Transmission Pylon Bird's Nest Detection Methodology" during the Reporting Period. This breakthrough technology significantly enhances inspection precision and operational efficiency while mitigating manual inspection risks, delivering robust technical support for core operations. The Group allocated over RMB20 million to scientific R&D investments within the Reporting Period. Moving forward, we remain steadfast in our commitment to driving technological innovation, strategically addressing industry challenges while propelling sustainable value creation across our service networks.



6. ROBUST OPERATION

6.2 OPERATIONAL MANAGEMENT

To enhance the operational management capabilities of the enterprise, we have consistently promoted the establishment and refinement of a comprehensive business control system across all operational activities. This involves further streamlining the operational management framework and standardising workflows for full-process business control. The Group has implemented lean management of line losses in daily operations, fully adopted the “four-part” line loss management approach, and advanced intelligent monitoring of distribution stations and smart analysis applications for anti-theft inspections. These measures aim to strengthen the control of operational line losses. Additionally, we are committed to advancing the construction of marketing service centres to improve workforce efficiency and achieve standardised management of regional power grid operations. To foster market-oriented incentive mechanisms, we have optimised performance evaluation methods, rigorously enforced reward-and-penalty systems, and enhanced performance management and task execution capabilities.

Safety production remains a cornerstone of stable operations. We have established a robust safety production responsibility system, clearly defining safety duties from top management to frontline employees, alongside corresponding supervision mechanisms. The Group has incorporated safety production into its annual work plans, convening regular safety production meetings to discuss and analyse safety conditions, proposing solutions and improvement measures for identified safety issues. During the Reporting Period, the Group invested RMB31.85 million in safety hazard remediation, covering expenses for purchasing safety tools and equipment, emergency repairs and maintenance, contingency drills, firefighting facilities, and public awareness campaigns on electrical and forest fire prevention.

To further advance future safety production efforts, the headquarters and subsidiary companies formulated the *Three-Year Action Plan for Root-Cause Improvement in Safety Production (2024–2026)*, which outlines three-year objectives: by the end of 2024, the majority of major power safety hazards identified prior to and during 2023 will be eliminated; by the end of 2025, the emergence of new major power safety hazards will be effectively curbed; and by the end of 2026, a regularised mechanism for dynamically clearing major power safety hazards will be established. Through the implementation of these measures, we aim to continuously enhance the intrinsic safety standards of power production and maintain stable, positive safety performance across the Group.

To ensure the authenticity and accuracy of disclosed information and to execute the Group’s operational management plans, we persistently refine audit management practices. Guided by audit requirements and relevant laws and regulations, the Group’s Audit Department has spearheaded the development of internal policies, including the *Internal Audit Management Measures*, *Economic Responsibility Audit Measures*, *Internal Audit Measures for Infrastructure Projects (Trial)*, *Procedures for Transferring Audit Findings to Disciplinary Authorities (Trial)*, and the *Internal Audit Archives Management Measures*. These initiatives aim to establish a robust internal audit system, strengthen risk management, and improve the scientific rigour and accuracy of decision-making. Moving forward, we will continue to monitor and adjust audit management practices to ensure they evolve with operational needs and support the Group’s development objectives.

6.3 SUPPLIER MANAGEMENT

The Group adopts an integrated development strategy and further promotes the sustainable development of the enterprise by integrating supply chain management into all aspects of the enterprise’s production and operation. We actively performs green procurement, strives to build a responsible supply chain, maintains good strategic cooperation with suppliers, and promotes the development of supply chain partners and the Group. The comprehensive management approach helps ensure sustainability in production processes while promoting collaboration and enhancing overall business efficiency. We will continue to follow the development direction and infuse vitality into the sustainable operation of the Group.

The Group’s major suppliers include State Grid Sichuan Electric Power Company Yibin Power Supply Company, Zhaotong Power Supply Bureau of Yunnan Power Grid Co., Ltd., and grid-connected hydropower stations inside and outside the supply area. When selecting electricity suppliers, we strictly comply with the requirements of the *Electric Power Law of the People’s Republic of China*, the *Environmental Protection Law of the People’s Republic of China*, the *Law of the People’s Republic of China on Appraising Environmental Impacts* and the *Rules of Power Supply Business*, and we comprehensively assess the suppliers’ impacts in terms of environmental and social risks. While considering the assessment indicators such as power quality and power supply price, we strictly review the potential impact and risks of suppliers on the environment and society, such as ensuring that suppliers provide products that meet the national environmental protection standards, and monitoring whether suppliers have records of violations of laws and regulations due to pollution of the ecological environment during business.

6. ROBUST OPERATION

In the process of fulfilling contracts, suppliers must provide products that meet both quality standards and environmental protection requirements and carry out specific environmental inspections as needed. In order to urge cooperative enterprises to implement their internal environmental protection and management regulations, and to review the environmental and social risks of suppliers, we regularly check the compliance of suppliers with social and environmental related regulations, such as the *Electric Power Law of the People's Republic of China*, *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on Appraising Environmental Impacts* and *Rules of Power Supply Business*. If suppliers fail to properly address relevant environmental and social risks or violate relevant regulations or provisions, we will report directly to the Company's management and impose severe penalties, requiring them to rectify the situation within a specified period. If the impact of the case is severe, we will require suppliers to suspend the work for rectification or terminate contracts. We will continue to ensure effective management of social and environmental risks in supply chain management to achieve sustainable development goals.

At the end of the Reporting Period, the Group had a total of 199 power procurement suppliers, and all of them had implemented the above procurement management policies. The number of the Group's electricity procurement suppliers by major regions where services are provided is as follows:

Cuiping District	Xuzhou District	Gao County	Gong County	Junlian County	Xingwen County	Pingshan County
14		21	43	70	47	11

6.4 ANTI-CORRUPTION

In order to prevent bribery, extortion, fraud and money laundering in the enterprise, the Group strictly complied with the following laws and regulations that have a significant impact during the Reporting Period (including but not limited to):

6. ROBUST OPERATION

The Group has consistently strengthened its corporate integrity governance framework through the implementation of internal control mechanisms including *Anti-fraud and Bribery Management Measures*, *the Interim Measures for the Implementation of the Responsibility System for Improving the Party's Style of Work and Upholding Integrity*, *the Evaluation of the Implementation of the Responsibility System for Improving the Party's Style of Work and Upholding Integrity* and *Opinions on the Implementation of an Integrity Culture*. These frameworks rigorously combat malpractices including corruption, extortion, fraud and money laundering. Notably, the *Anti-fraud and Bribery Management Measures* explicitly defines prohibited conduct, mandating strict employee compliance with legal obligations under all circumstances. It prohibits direct or indirect offering, solicitation, acceptance or inducement of improper benefits for commercial advantage, alongside forbidding fraudulent acts, material omissions or breaches of trust for illicit gain or asset misappropriation. The protocol further delineates departmental responsibilities and supervisory mechanisms for anti-corruption initiatives, thereby enhancing corporate integrity systems and compliance governance efficacy. Regular thematic training programmes and compliance briefings ensure full employee understanding and adherence. We will strictly enforce penalties for non-compliance in order to safeguard business ethics and corporate reputation.

To continuously standardise the operational practices, the Group insists on integrating anti-fraud and anti-bribery work into all aspects of daily management and internal control systems, including procurement, construction, investment, and other production and operation activities, as well as company management. We carefully identify and evaluate the risk of fraud and bribery within the enterprise and gradually establish corresponding mechanisms for control. At the same time, we insist on strengthening compliance training and legal education, coupled with a stringent monitoring and accountability system, to enhance the Group's overall level of clean governance and create a fair and transparent corporate culture. We adopt a zero-tolerance attitude towards any violation of fraud prevention requirements and take action in accordance with the law to ensure that our business operations are conducted in a lawful and compliant manner and to protect the interests of the shareholders and stakeholders.

Regarding whistleblowing mechanisms, the Group has established the *Whistle-blowing Management System*, *the Administrative Measures for Discipline Inspection and Supervision of Case Files* and *Measures for Handling Whistle-blowing Letters and Visits* to standardise reporting channels and case resolution processes. Whistle-blowers can report violations of laws and regulations to the Group via dedicated hotlines, written complaints, in-person visits, email, or direct submission, either anonymously or through real-name disclosures. The Discipline Inspection Office serves as the unified intake authority for all reported cases. Upon receiving complaints, the office initiates case registration and submits documentation to the leader for approval. For the reported matters that the superior requires to report the investigation results, the department shall deal with and report them promptly and report them to the whistleblower after the reported matters are concluded. If the department does not investigate the reported matters, it shall make reasonable explanations to the whistleblower. All reported matters are recorded in the Report Registration Form. During the Reporting Period, the Group did not receive any litigation cases related to corruption, fraud or bribery.

In order to enhance the integrity and party spirit of the Group's personnel and strengthen their awareness of disciplinary rules, the Group organised a visit to the Yibin City Integrity Education Base to receive on-site integrity education for 40 leading cadres, including the secretary of the Discipline Inspection Committee and the middle management, and to conduct exchanges and talks on the study and reflection of the *Regulations on the Communist Party of China Disciplinary Action* during the Reporting Period.



6. ROBUST OPERATION

At the integrity education base, leaders from the Commission for Discipline Inspection delivered a vivid “micro Party lecture” to all participants. Combining theory with case studies, they focused on strengthening ideals and convictions, enhancing Party spirit cultivation, reinforcing self-discipline awareness, and improving capabilities to resist corruption and prevent moral decay. This further fortified the ideological defense line of employees against corruption. By visiting “Huaxia Model Mountain,” “Yijing Lake,” and “Family Precepts Plaza,” participants deeply absorbed the spirit of ancient Chinese sages in self-improvement, ethical governance, and integrity. This fostered a correct guiding principle of “using family values to promote Party and government conduct, and family traditions to guide social and civic ethos.” Additionally, the Commission for Discipline Inspection of the Sichuan Energy Investment Development invited Li Chengwen, a third-rank management professor from Yibin University, to provide specialised guidance on integrity in the workplace for over 340 Party members and employees. The session helped identify the Company’s integrity risk points and emphasised the principles of being “prudent in beginnings, cautious in minor matters, disciplined in solitude, and discerning in friendships.” It reinforced the need to maintain the clarity and determination of a “never-ending test,” ensuring employees in state-owned enterprises remain disciplined and rule-abiding.



6. ROBUST OPERATION

6.5 OPERATIONAL PERFORMANCE¹

Performance Indicators		2024
Profitability	Return on Net Assets	11.32%
	Return on Total Assets	7.06%
	Operating Profit Margin	9.65%
	EBITDA Margin	15.11%
	Proportion of Accounts Receivable and Inventories in Current Assets	47.51%
	Proportion of Cost and Expenses in Operating Revenue	89.93%
Asset Quality	Total Asset Turnover Ratio	69.79%
	Accounts Receivable Turnover Ratio	5.01 times
	Current Asset Turnover Ratio	2.68 times
	Asset Cash Recovery Rate	0.11%
Debt Risk	Asset-Liability Ratio	49.94%
	Interest Coverage Ratio	29.45 times
	Quick Ratio	73.64%
	Cash Flow to Current Liabilities Ratio	33.19%
Business Growth	Operating Revenue Growth Rate	14.79%
	Operating Profit Growth Rate	14.26%
	Capital Accumulation Rate	8.26%
	Cash Dividend (yuan/per share)	0.14

¹ The calculation methods of all the following operational performance indicators refer to the "Sustainable Development (ESG) Disclosure Indicators and Evaluation System for Listed Companies in the Energy Sector".

7. GREEN PRACTICES

While driving business growth, the Group actively fulfils its corporate environmental responsibilities and implements its mission as a responsible enterprise. We continue to refine our group-level environmental management system and implement multiple energy conservation and emission reduction measures, striving to achieve a win-win scenario for corporate development and environmental preservation. Simultaneously, leveraging our corporate resources and platform influence, we have deepened practical initiatives in energy efficiency and carbon reduction, systematically advancing the implementation of green transformation concepts.



Sichuan Energy Investment Development's subsidiaries have launched a comprehensive 2024 National Energy Conservation Promotion Week campaign, anchored by the theme "Green Transition, Energy Efficiency Breakthroughs". Through a dual "awareness-building + practical implementation" approach, the initiative drives behavioural change across operational tiers. Sichuan Energy Pingshan Electricity secured enterprise-wide commitment through staff low-carbon pledge signings. Sichuan Energy Xuzhou Electricity and Sichuan Energy Gao County Electricity established frontline service hubs integrating EV charging/battery-swapping infrastructure promotion with hands-on energy-saving workshops. Sichuan Energy Investment Development and Construction curated themed film exhibitions and power-saving signage systems to cultivate low-carbon office ecosystems. Generation entities including Sichuan Energy Yangliutan Power Generation conducted immersive "residential zone power-down hour" experiential programmes. Sichuan Energy Xingwen Electricity deployed specialist advisory panels delivering bespoke energy efficiency roadmaps and tariff policy analysis for corporate customers. Sichuan Energy Gao County Integrated Energy energised workforce participation through environmental knowledge competitions. The Group remains committed to its "Green Innovation, Technology-Enabled Solutions" paradigm, advancing intelligent energy service frameworks while refining electricity supply-demand efficiency mechanisms. Through cross-sector collaboration, we are actively constructing an integrated energy conservation and decarbonisation value chain aligned with national sustainability objectives.

The Provincial State-owned Assets Supervision and Administration Commission of the State Council issued the "Notice on Announcing the First Batch of Demonstration Enterprises under the Sichuan Tianfu State-owned Enterprise Party Building Exemplary Leadership Project". Recommended by Sichuan Province Energy Investment Group Co., Ltd, Sichuan Energy Xingwen Electricity— a subsidiary of Sichuan Energy Investment Development – was honoured as one of the "First Batch of Demonstration Units in Sichuan Tianfu State-owned Enterprise Party Building Exemplary Leadership Project" in 2024, becoming one of the two exemplary units in "Party Affairs Team Building". Additionally, Ms. Wang Yuanchun, Deputy Secretary of the Party Committee, Vice Chairman and General Manager of Sichuan Energy Investment Development Co., Ltd., was recognised by Sichuan Association of Circular Economy in December 2024 as a leading figure in promoting green circular low-carbon development and advancing high-quality growth of circular economy in Sichuan Province.

7. GREEN PRACTICES



Honourable title of First Batch of Demonstration Units
in Sichuan Tianfu State-owned Enterprise Party Building
Exemplary Leadership Project



Awarded Sichuan Province Circular Economy Leader

These accolades not only demonstrate Sichuan Energy Investment Development's outstanding brand influence but also fully affirm the Group's efforts in advancing green low-carbon initiatives, technological innovation, and high-quality development. Faithfully implementing Sichuan Province Energy Investment Group Co., Ltd's corporate philosophy of "Green Low-Carbon, Technology Empowerment", Sichuan Energy Investment Development continues to make dedicated efforts and contributions in circular economy and low-carbon development, cultivating its "green credentials" for high-quality corporate development.

7.1 ENVIRONMENTAL PROTECTION MANAGEMENT

The Group has always practised the concept of green development, actively responded to climate change, and reduced the impact on the natural environment and the consumption of natural resources caused by production and operation as much as possible. The Group has formulated and revised a series of environmental management policies according to the relevant national laws and regulations on environmental protection, to regulate our use of resources, emissions, target management, investigation and management of potential environmental hazards, investment in environmental protection expenses, environmental inspection, performance rewards and punishments, etc., so as to further deepen the Group's environmental protection management. During the year, we invested 0.67% in environmental protection and production safety.

During the Reporting Period, in order to implement green operations and promote energy conservation and emissions reduction, the Group has strictly complied with the following laws and regulations that have a significant impact on the Group, including but not limited to:

7. GREEN PRACTICES

In accordance with the above laws and regulations, the Group has established and implemented the following internal environmental management policies during the Reporting Period (including but not limited to):

7.2 CLIMATE CHANGE

Climate change brings different levels of risks and opportunities to the Group and the whole society. In order to actively respond to climate change challenges, we regularly analyse and evaluate major issues related to climate change.

The Group's main business is situated within the hilly regions of southeastern Sichuan Basin (Yibin City, Gao County, Yibin County, Gong County, Yunlian County, Xingwen County and Pingshan County). This geographical area experiences highly active atmospheric convection patterns, categorising it as a regional disaster-prone zone. Climate change is likely to lead to more frequent extreme weather events, such as severe convection weather, fog, storms, thunderstorms, floods and mudslides.

To prevent disasters caused by extreme weather and ensure production and operation, the Group has formulated the *Emergency Plan for Flood Control*, the *Emergency Plan for Severe Weather Disaster*, the *Emergency Plan for Preventing and Responding to Wind Weather Accidents* and the *Emergency Plan for Prevention and Response to High Temperature and Drought*. The Group has formulated relevant plans and measures to mitigate the impact of climate change and improve the overall emergency management capacity. Notably, the *Emergency Plan for Severe Weather Disaster* explicitly delineates climate-related risk assessment parameters, categorising analytical dimensions for hazard severity while demarcating geographical zones most vulnerable to extreme meteorological events. Furthermore, the framework comprehensively outlines the organisational hierarchy of emergency command structures, monitoring and early-warning protocols, disaster response mechanisms, and specific mitigation measures. This systematic approach ensures effective execution of contingency operations, thereby significantly enhancing the Group's adaptive capacity to manage extreme weather scenarios through standardised escalation procedures and coordinated resource mobilisation strategies.

In the future, we will strive to strengthen our enterprise risk management and emergency response capabilities, formulate relevant strategic plans to cope with the various impacts brought by climate change, and actively take corresponding measures to seize potential opportunities.

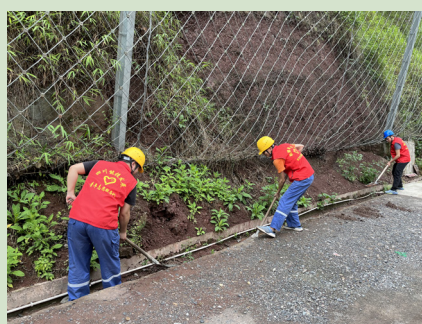
7. GREEN PRACTICES

7.3 NATURAL RESOURCES

As a hydropower-focused enterprise, the Group fully recognises the environmental and natural resource impacts of its operations, particularly the potential effects on aquatic biodiversity during water intake processes at power stations. To effectively manage and mitigate these impacts, we have developed a comprehensive ecological flow release scheme based on downstream riverine ecological requirements – including water environment, aquatic ecosystems, and landscape considerations – in strict compliance with the technical specifications of ecological flow design and relevant guidelines. This approach integrates hydrological and hydraulic methodologies, with dedicated ecological flow release facilities and safeguard mechanisms established for both operational and water impoundment phases of dam operations. In ecologically sensitive areas such as nationally or locally protected zones, rare species habitats, or development corridors, we proactively implement conservation measures to minimise adverse effects on aquatic species.

In practice, the Group rigorously adheres to reservoir dispatch protocols, referencing the power station's minimum ecological flow release for ecological scheduling. When natural inflow falls below the mandated minimum ecological flow, discharge rates are adjusted according to actual inflow conditions at the dam site. To ensure operational efficacy, priority is given to dedicated release facilities, which are designed, constructed, and operated concurrently with main infrastructure projects to guarantee safety, stability, and flexibility. Moving forward, we will continuously evaluate ecological needs and incrementally increase ecological flow releases as necessary to optimise conservation outcomes.

To enhance environmental awareness among employees and communities, the Group regularly organises diverse initiatives such as fish proliferation and release, front pond slag salvage, waste clearance, and afforestation campaigns.



On World Environment Day (5 June 2024), Sichuan Energy Yangliutan Power Generation launched a targeted environmental remediation campaign, mobilising Party members and young staff to comprehensively clean drainage ditches and green belts in residential and production zones of the hydropower station. Efforts extended to reservoir peripheries, with focused inspections of dam structures, waste collection points, and fuel storage areas, achieving full-coverage environmental improvements and fostering a harmonious coexistence between operations and nature.

7. GREEN PRACTICES



To implement the concept of General Secretary Xi Jinping that “lucid waters and lush mountains are invaluable assets,” between 11th and 12th March, subsidiaries of Sichuan Energy Investment Development joined forces with forestry authorities and local township governments ahead of Arbor Day to dispatch teams to villages, promoting safe tree-planting practices and installing warning signs to prevent unauthorised planting. Sichuan Energy Gao County Electricity organised its members and experts to provide on-site guidance in rural areas, successfully planting over 80 fruit trees. Meanwhile, Sichuan Energy Junlian Electricity launched a family tree-planting initiative, combining education with recreation to deepen environmental awareness. Additionally, Sichuan Energy Gong County Electricity, Sichuan Energy Pingshan Electricity, Sichuan Energy Xingwen Electricity, Sichuan Energy planted economically valuable species such as camphor trees and honey-sweet plums across multiple locations, adding vibrant greenery to urban and rural landscapes.

7.4 CLEAN ENERGY DEVELOPMENT

The Group continues to deepen Sichuan Province Energy Investment Group Co., Ltd.’s mission of “Empowering Green and Low Carbon Enterprise with Technology” and expand clean energy-related businesses. In addition to the three green energy companies established at the end of 2023 (Sichuan Energy Investment Junlian Green Energy Co., Ltd., Sichuan Energy Investment Changning Green Energy Co., Ltd., and Sichuan Energy Investment Xingwen Green Energy Co., Ltd.), we newly established Sichuan Energy Investment Xingwen Clean Energy Technology Co., Ltd. (establishment on 10 July 2024) during the Reporting Period, which is involved in a range of businesses including the generation, transmission, supply of electricity, energy construction works and resource recycling services of clean energies (such as solar power, biomass, etc.).

To capitalise on the development opportunities presented by “Electric Sichuan” and “Electric Yibin”, we have vigorously expanded smart integrated energy stations, charging and swapping stations, distributed photovoltaic power generation, industrial park energy services, urban distributed integrated energy, and other businesses. In 2024, the Group successfully implemented a number of green energy projects, including 16 charging stations with a total of 145 new charging piles (110 fast-charging piles and 35 slow-charging piles) and 275 charging ports, providing convenient charging services to the public. At the same time, we continued to develop new types of power generation and energy storage projects, constructing 2 distributed photovoltaic projects (with a total installed capacity of 571.32kWp) and implementing 2 energy storage projects (with a total installed capacity of 1,100kW/2,215kWh) during the year. In addition, we have also explored and commenced several clean energy projects such as the Group’s first ‘Water-Photovoltaic Complementation’ project, setting a strong precedent for the expansion of similar projects in the future.

7. GREEN PRACTICES



The construction of the Group's first new energy storage project in Yibin City, which adopted the contractual energy management approach, was formally completed and put into operation during the Reporting Period, signifying the Company's solid steps in the field of in-depth development of new energy storage projects.

The scale of the project is 1MW/2MWh, which consists of a standard container storage unit and a booster module, equipped with an advanced energy storage energy management platform that supports second discharge and rapid load takeover, with advantages of high safety, high efficiency and strong compatibility. At the same time, investing in the operation through contractual energy management co-operation can reduce the investment risk of owners, lower the cost of electricity consumption, and promote energy saving and emission reduction.



On 27 April 2024, the 2024 Chengdu World Horticultural Exposition, themed 'Park City and Beautiful Habitat', was grandly opened. A cutting-edge integrated "PV-storage-charging" smart energy station, invested and constructed by the Group, made its debut at the Pidū sub-venue, providing robust support for visitors' green travel. As a key infrastructure project at the Pidū sub-venue, this smart energy station also stands as one of Sichuan Energy Investment Development's flagship initiatives in its comprehensive clean energy business strategy. Its official commissioning not only enhances the expo's sustainability credentials but also promotes low-carbon transportation, injecting lasting green momentum into Pidū District's economic and social development.

In addition to increasing investments in the clean energy sector, the Group established green energy partnerships with multiple supply chain companies through market expansion in 2024, successfully transacting 3,860 International Renewable Energy Certificates (I-REC) and 30 tonnes of Verified Carbon Units (VCS). The photovoltaic power generation project at the Gaoxian Tea Trade City Charging Station has obtained 28 China Green Certificates, with other project applications progressing systematically. These initiatives are projected to generate over 3,000 green certificates annually for the Group, significantly enhancing its green competitiveness. Furthermore, we have actively developed "green electricity + green certificate" market services, collaborating with more than 10 export-oriented enterprises in Sichuan Province. These partnerships provide one-stop solutions including green energy procurement guidance, policy interpretation, transaction training, and troubleshooting for low-carbon compliance needs. Looking ahead, the Group will remain committed to advancing clean energy initiatives, aligning with its corporate mission of green, low-carbon development empowered by technological innovation.

7. GREEN PRACTICES

7.5 ENERGY CONSERVATION AND EMISSIONS REDUCTION

7.5.1 Resources Conservation

The main energy resources used in the daily operation and production of the Group include hydropower water intake, electricity resources for power transmission and distribution, and fuel consumption for office vehicles. The Group's main business is hydropower generation, which is clean energy generation. The water intake for the Group's power generation business mainly comes from natural water sources in the Nan Guang River Basin, Hengjiang River Basin, and Songjiang River Basin. The process involves utilising the potential energy by the water level drop to drive the turbines for electricity generation. The natural water used for power generation is discharged downstream after generation, and the process does not significantly pollute the water resources of the downstream river basins. The Group's office and domestic water supply mainly come from municipal water suppliers. There have been no difficulties in water intake for our power generation business, as well as office and domestic water usage.

In order to save water and electricity resources used in the power business and continuously improve the efficiency of the use of water, energy and electricity, the Group has formulated four major environmental protection strategies under the scope of "Emissions Reduction, Waste Reduction, Energy Consumption and Water Consumption", for details, please refer to the section 5. Sustainable Development Management. In addition, the Group has established the "Integrated Energy Business Department" to conduct more refined management of the Group's use of resources and has established and implemented a series of energy-saving measures. Some of the measures implemented are as follows:

Reducing Electricity Consumption

- Choose energy-efficient transformers
- Renovate old low-voltage distribution lines to reduce the electricity loss
- Adjust the voltage of the grid operation system appropriately to improve electricity distribution efficiency

Water Conservation

- Optimise water management in canteens
- Post water-saving signs, strengthen the maintenance and repair of water facilities
- Carry out and strengthen water-saving publicity to improve the water-saving awareness and behaviour of all employees
- Conduct production and operation of hydropower plants in strict accordance with the approval of the production water intake plan
- The office area strictly abides by the requirements of the domestic water intake permit. During the Reporting Period, the water consumption did not exceed the planned amount

Reducing Fuel Consumption

- Improve the registration and management system of fuel consumption of office vehicles, establish fuel consumption ledger, and strengthen the analysis of fuel consumption and fuel saving strategies
- Centralise management and dispatch of vehicles to strictly regulate the use of vehicles
- Conduct regular maintenance and repair of vehicles
- Strengthen the education of fuel conservation, enhance employees' awareness of fuel conservation, and improve the awareness of resource conservation through regular lectures on vehicle fuel conservation

7. GREEN PRACTICES

Guided by national policies, we have formulated plans to establish a green, low-carbon power grid in Yibin High-Tech Zone. This initiative integrates renewable energy sources within and around the grid, aiming to create a dedicated green power network with an installed capacity of 1.8 million kilowatts and an annual electricity supply of 5 billion kWh, achieving fully traceable direct power transmission and supply. In 2024, the first phase of this green grid project – the Nanwan 110 kV transmission and substation project in Xuzhou District – was successfully implemented. We are confident that this green, low-carbon grid will significantly enhance energy efficiency in Yibin High-Tech Zone, promote renewable energy adoption, and actively contribute to the region's sustainable economic development.

To reduce fuel consumption, we have implemented the *Vehicle Management Measures (2020 Edition)*, which standardise corporate vehicle usage and minimise unnecessary trips. The policy clearly defines official vehicle protocols, requiring employees to complete a “*Vehicle Usage Application Form*” prior to dispatch approval. Additionally, stringent fuel management rules mandate the use of dedicated fuel cards for headquarters vehicles under a “one vehicle, one card” principle, with all refuelling activities recorded in driving logs. These measures enable precise fuel consumption tracking, facilitate annual analysis through consolidated fuel usage records, and support cost and emission reduction goals. Moving forward, we will continuously monitor and optimise these protocols to further lower operational costs and environmental impacts.

7.5.2 Emissions Management

The main sources of emissions generated by the Group in daily operations are exhaust emissions from office vehicles, indirect greenhouse gas emissions caused by power consumption and loss, office and domestic sewage, domestic waste, and a small amount of oily waste generated during maintenance operations. In order to reduce the emission of air pollutants and greenhouse gases, the headquarters and subsidiaries have formulated relevant energy conservation and emissions reduction policies according to their own operating locations and business characteristics. For example, we have formulated the *Environmental Protection Management System*, which provides specific instructions regarding environmental protection for construction projects, environmental protection during the production process, supervision and management, as well as assessment, rewards, and penalties. These measures effectively drive the Group's energy conservation and emission reduction efforts. In terms of low-carbon transformation, the Group intends to designate the *Greenhouse Gas Management Regulations*, outlining the organisational structure for greenhouse gases, responsibilities, greenhouse gas statistical system, accounting methods, tools, etc. These steps are gradually refining the Group's greenhouse gas emission system, facilitating the transition towards a low-carbon economy.

The major hazardous waste generated during the production and operation of the Group is sulphur hexafluoride, which is a chemically stable gas and can be used as a circuit breaker insulating medium and arc extinguishing medium. Due to the high global warming potential of sulphur hexafluoride, the Group attaches great importance to the procurement of circuit breakers. We have adopted high-quality circuit breakers in the process of production, power transmission and distribution. When the circuit breakers reach the designed product life, we will dispose of them on time. In addition, we manage the use, and storage of circuit breakers strictly with the management requirements of hazardous chemicals, and contact recyclers with hazardous waste disposal qualifications to sign a contract to entrust them to dispose of hazardous waste. During the Reporting Period, the Group did not have any leakage accidents of sulphur hexafluoride.



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At the same time, a small amount of waste oil generated from the maintenance of some equipment is classified as one of the hazardous wastes. To ensure its safe disposal, we have entered into an agreement with a professionally qualified organisation for its uniform collection and compliant treatment to minimise the impact on the environment.

We discharge all domestic sewage generated from our business locations in the urban area into the municipal sewage network to ensure that the sewage is properly treated. Meanwhile, office and domestic waste are handed over to the municipal authorities for proper disposal. As advocates of green development, we encourage employees to turn off seldom-used electrical devices to reduce energy wastage. Energy-saving slogans are prominently displayed within the Company premises to raise awareness among employees about energy conservation. To further reduce energy consumption, we promote remote office systems, establish reasonable standards for office supplies allocation, and rigorously review requests for office supplies procurement to minimise unnecessary resource wastage, thereby better embodying environmental protection concepts. These measures aim to integrate green concepts into the Company's daily operations.

In the construction of a low-carbon enterprise, we have established a comprehensive low-carbon enterprise technology support system, leveraging existing research and development equipment and technical personnel from the technology centre. Through low-carbon enterprise technology research and development, we cultivate and train professional talents to enhance clean production, establish procedures for low-carbon enterprise development, promote technological progress, and develop and produce low-carbon, recyclable new products based on product life cycle analysis and environmental label product requirements. These efforts aim to pave the way for Sichuan Energy Investment Development to develop as a low-carbon enterprise.

7.5.3 Environmental Performance

During the Reporting Period, the statistical data of the Group's electricity generation and sales volume, emissions and use of resources are as follows:

	Year 2024	Year 2023	Year 2022	Year 2021	Unit
Power generation	516,158.43	452,459.95	526,478.35	539,534.17	MWh
Electricity sales (The electricity for the terminal users)	7,986,332.54	6,320,659.00	4,550,360.00	4,260,354.00	MWh

Emissions	Year 2024	Year 2023	Year 2022	Year 2021	Unit
Air Pollutant²					
Nitrogen oxides	2,210.72	1,486.56	2,223.87	1,753.78	kg
Sulphur oxides	8.78	5.12	4.74	3.31	kg
Particulate matter (PM2.5)	63.14	40.36	60.29	54.27	kg
Particulate matter (PM10)	69.92	44.57	66.79	60.03	kg
Carbon monoxide	5,572.19	3,353.79	3,403.41	2,216.63	kg

2 The emissions of air pollutants are derived from the exhaust emissions of the vehicles owned and controlled by the Group within the scope of the Report. The specific emission data is calculated with reference to the *Technical Guide for the Preparation of Air Pollutant Emission Inventory for Road Vehicles (Trial)* and *Greenhouse Gas Emissions Accounting Methodology and Reporting Guidelines for Enterprises in Other Industrial Sectors (Trial)* issued by the Ministry of Ecology and Environment of the People's Republic of China.

7. GREEN PRACTICES

Emissions	Year 2024	Year 2023	Year 2022	Year 2021	Unit
Greenhouse Gas³					
Scope 1 ⁴	1,138.15	1,176.21	1,311.98	1,087.96	tonnes CO ₂ e
Scope 2 ⁵	216,216.92	285,768.26	438,974.22	142,330.53	tonnes CO ₂ e
Total	217,355.07	286,944.47	440,286.21	143,418.49	tonnes CO ₂ e
Intensity	0.03	0.05	0.10	0.03	tonnes of CO ₂ e/MWh of electricity sales
CO ₂ emission reduction from self-generated power	276,970.62	258,037.91	300,250.60	329,169.08	tonnes CO ₂ e
Hazardous Waste					
Waste mineral oil and mineral oil-containing waste	6.51 ⁶	0.67	0.43	2.00	tonnes
Total	6.51	0.67	0.43	2.00	tonnes
Intensity	0.82	0.11	0.09	0.47	g/MWh Electricity sales
Non-hazardous Waste					
Office and domestic waste	11.59	9.45	18.89	45.09	tonnes
Total	11.59	9.45	18.89	45.09	tonnes
Intensity	1.45	1.49	4.15	10.58	g/MWh Electricity sales
Waste salvage in the reservoir area of the dam ⁷	471.00	200.00	300.00	200.00	tonnes
Waste water					
Office and domestic wastewater	61,335.30	73,213.33	33,002.94	28,817.00	tonnes
Intensity	22.84	25.72	11.39	9.59	tonnes/person

3 Greenhouse gas emissions come from the greenhouse gas emissions of vehicles and construction machinery owned and controlled by the Group within the scope of this report, as well as indirect emissions caused by purchased electricity used in production and office, and electricity loss in the transmission and distribution process.

4 The calculation method of emission data of greenhouse gas (Scope 1) vehicles refers to the *Greenhouse Gas Emissions Accounting Methodology and Reporting Guidelines for Land Transportation Enterprises (Trial)* issued by the Ministry of Ecology and Environment of the People's Republic of China, and the calculation method of emission of machinery refers to the *Greenhouse Gas Emissions Accounting Methodology and Reporting Guidelines for Enterprises in Other Industrial Sectors (Trial)* issued by the National Development and Reform Commission of the People's Republic of China and the *Greenhouse Gas Inventory Guidance-Direct Emissions from Mobile Combustion Sources* issued by the United States Environmental Protection Agency.

5 The calculation method for greenhouse gas (Scope 2) emissions data is referenced from the Accounting Method and Reporting Guidelines for Greenhouse Gas Emissions of China State Grid Enterprises (Trial) compiled by the National Development and Reform Commission of the People's Republic of China, as well as the relevant emission factors outlined in the *Technical Guidelines for the Compilation of Inventory for Air Pollutant Emissions from Non-road Mobile Sources* and the *Announcement on the Release of 2022 CO₂ Emission Factors* issued by the Ministry of Ecology and Environment.

6 As the Company's hydroelectric power stations embarked on equipment overhaul in 2024, waste oil was generated during the repair process, which was treated in accordance with the regulations.

7 Since the total amount of waste generated in the reservoir area of the front pond of the dam involves many external factors (including human disposal, salvage work in river basins, etc.), starting from 2021, the Group's waste salvage will not be counted as non-hazardous waste produced by us, so its intensity and total amount will be disclosed separately.

7. GREEN PRACTICES

During the Reporting Period, the Group deepened its strategic deployment of energy saving and emission reduction in tandem with expanding its investment deployment in green energy power generation, resulting in a decrease in carbon emissions as compared to the year 2023. As the Group established new subsidiaries during the Reporting Period, the amount of waste generated increased as compared to the previous year. In addition, emissions of air pollutants increased significantly compared to the year 2023 due to changes in vehicle models and an increase in the number of kilometres run.

Resources Consumption	Year 2024	Year 2023	Year 2022	Year 2021	Unit
Use of Resources					
Energy					
Office and production power consumption	402,938.72	517,580.94	774,037.65	408,313.13	MWh
Intensity	0.05	0.08	0.17	0.10	MWh/MWh electricity sales
Gasoline	414,213.89	415,463.18	405,783.33	375,946.52	Litre
Intensity	0.05	0.07	0.09	0.09	Litre/MWh of electricity sales
Diesel	66,992.80	82,543.50	145,091.21	82,932.87	Litre
Intensity	0.01	0.01	0.03	0.02	Litre/MWh of electricity sales
Total energy consumption⁸	411,349.79	522,098.35	779,076.16	412,480.93	MWh
Energy consumption intensity	0.05	0.08	0.17	0.100	MWh/MWh electricity sales
Water resources					
Office and domestic water consumption	47,656.00	78,818.55	55,293.84	51,118.00	tonnes
Intensity	17.74	27.68	19.08	17.36	tonnes/person
Water withdrawal for power generation	9,872,671,852.00	9,613,464,715.93	12,225,657,485.63	12,464,831,714.47 ⁹	tonnes
Intensity	19.13	21.25	23.22	23.10	tonnes/kWh of power generation

The Group exercised stringent management over the use of energy resources and reduced the use of diesel vehicles during the Reporting Period, resulting in a decrease in the related diesel consumption.

- 8 The calculation method of total energy consumption is based on the Guidelines for Accounting and Reporting Greenhouse Gas Emissions of Chinese Power Generation Enterprises (Trial) issued by the National Development and Reform Commission of the People's Republic of China.
- 9 Due to the adjustment in the calculation method for water intake for power generation, the data for 2021 is adjusted.

8. EMPOWERING EMPLOYEES

The Group regards employees as our valuable assets and employees are an integral part of our sustainable development. We adhere to the management principle of “governing and promoting the enterprise following the law and strengthening the enterprise by relying on people”, strive to establish a safe and comfortable working environment, a market-competitive remuneration system for employees, and provide a clear career development direction, so as to ensure that all team members can give full play to their potential talents and own advantages and achieve the goal of mutual growth of the enterprise and employees. Based on our deep understanding of sustainable business, we recognise the importance of meeting the needs of our employees and building a solid corporate culture, which is the cornerstone of sustainable development.

8.1 HUMAN RESOURCES MANAGEMENT

During the Reporting Period, the Group has strictly complied with the following laws and regulations that have significant impacts on the Group, relating to the compensation and dismissal, recruitment and promotion, working hours, holidays, prevention of child or forced labour, equal opportunities, diversity, anti-discrimination, and other benefits and welfare (including but not limited to):

The Group has consistently adhered to an excellent human resources management system and has formulated internal regulations, such as the *Measures for Recruitment Management*, the *Labour Contract Management Measures*, the *Measures for the Management of the Compensation*, the *Total Wage Management Measures (Trial)*, the *Measures for Rank Management (Provisional)*, the *Interim Measures for Employee Leave and Attendance Management*, and the *Management Measures for Operational Contribution Incentives (Trial)*, in accordance with relevant employment laws and regulations. These internal regulations cover various aspects of employee management, including recruitment and dismissal, salary and promotion, working hours, holidays, equal opportunities, diversity, anti-discrimination, and benefits. During the Reporting Period, we did not receive any cases violating the aforementioned employment-related laws and regulations. We will continue to commit to compliance, fairness, and justice in our employment management practices.

8. EMPOWERING EMPLOYEES

8.1.1 Recruitment and Dismissal

To ensure regularity in the management of employee recruitment, the Group has taken into account the internal situation and formulated the *Measures for Employment Management* in accordance with relevant national laws and regulations and internal regulations. The regulation clearly defines the principles for employee recruitment in the Group: “standardise and simplify processes,” “jobs and talents matching,” “merit-based recruitment with high transparency,” and “balancing internal and external considerations, with internal priority.” Specifically, the Group’s Human Resources Department adheres to a clear management process for employee recruitment, following requirements for open conditions, procedures, and results to ensure transparency in the recruitment process. The management regulation also stipulates that employees recruited by the Group must have reached the legal working age. Furthermore, we conduct a thorough qualification review of candidates’ identification documents to prevent the employment of child labour and forced labour. If any cases of employing minors are discovered, the Group will immediately terminate the relevant employment relationship in order to uphold the dignity of laws and regulations as well as corporate social responsibility.

Human Resource Department at Headquarters

- Implement relevant regulations regarding employee recruitment and formulate the Measures for Recruitment Management
- Develop the annual employee recruitment plan
- Organise and carry out employee recruitment work at headquarters
- Coordinate and approve the recruitment demand plan of subsidiaries
- Supervise and guide the employee recruitment work of subsidiaries, coordinating the resolution of problems and difficulties encountered during the recruitment process
- Approve or file the recruitment results of subsidiaries

Human Resource Department at Subsidiaries

- Implement the Company’s regulations, documents, and work requirements regarding employee recruitment
- Establish the Employee Recruitment Management System for the subsidiary
- Propose the recruitment demand plan for the subsidiary
- Develop the recruitment work plan for the subsidiary and organise its implementation
- Submit the recruitment results to the headquarters for approval and record
- Handle the new employee onboarding procedures and organise the new employee orientation training for the subsidiary

Meanwhile, the Group formulated *Labour Contract Management Measures*, aiming to safeguards the legitimate rights and interests of both the Group and employees, building harmonious and stable labour relations, and promoting the reform and development of the Company. Labour contracts are signed with employees based on principles of legality, fairness, voluntariness, equality, consensus through consultation, honesty, and credit, ensuring that all employment contracts comply with relevant legal requirements. Additionally, the management measure stipulates the specific procedures for employee departure and dismissal within the Group. Both the Company and employees must notify the decision of departure or dismissal in advance in written form. Employees are required to complete relevant documents, hand over work responsibilities, and transfer social security and provident fund relationships. Upon completion, employees will be issued certificates of departure or dismissal.

The formulation and implementation of the above management measures and regulations ensure that the Group always treats employees with fairness and respect in recruitment and dismissal. It safeguards the rights of employees and ensures that both the Group and employees are treated fairly throughout the process. The comprehensive system helps build a stable and harmonious working environment, further enhancing employee job satisfaction and promoting overall sustainable development.

8. EMPOWERING EMPLOYEES

8.1.2 Compensation and Promotion

In upholding the *Measures for the Management of the Compensation* established by the headquarter, we maintain rigorous standards in administering employee remuneration. The measures clarify a series of remuneration management-related matters, including the management regulations on the division of work, rank system, remuneration structure, remuneration calculation and payment, etc. Our remuneration management is based on three basic principles:

In terms of operational contribution incentives, the Group has also established the *Management Measures for Operational Contribution Incentives* to establish a sound and scientifically regulated incentive system. The system aims to fully drive the enthusiasm, initiative, and creativity of staff, promoting the high-quality development of the Company. The management measures include various types of incentives: operational management incentives, comprehensive energy incentives, capital operation incentives, engineering construction incentives, innovation-driven incentives, etc. These are set up to incentivise the high-quality completion of the Company's important, challenging, and urgent special tasks. It also encourages departments, teams, and individuals that have achieved key goals in promoting the implementation of the Company's key tasks, major projects, and important deployments, while corresponding rewards will be granted. The average staff remuneration of the Group for 2024 was 128,000 yuan.

Furthermore, in accordance with the principles of "talent management by the Party, comprehensive coordination, efficiency first and dynamic management," we have formulated the *Measures for Rank Management (Provisional)* to further regulate the Group's rank system, which is to broaden employees' career development space and promotion channels, continuously motivating employees to reach their fullest potential.

8. EMPOWERING EMPLOYEES

8.1.3 Working Hours and Holidays

The headquarters of the Group has formulated the *Interim Measures for Employee Leave and Attendance Management* in accordance with the relevant national laws and regulations, as well as relevant internal regulations to protect the rights of employees. The measures clearly stipulate that the daily working hours for employees are 7 hours, and at the same time, they elaborate on various types of holidays and corresponding compensation. In order to meet the diverse needs of employees, the measures include various types of leave such as statutory holidays, public holidays, sick leave, personal leave, marriage leave, maternity leave, care leave, breastfeeding leave, funeral leave, work-related injury leave, and annual leave. The headquarters hopes that through the reasonable operation of the system, it can provide employees with sufficient vacation time, while also encouraging subsidiary companies to refer to these measures and develop internal management policies that are in line with the actual situation of the Company, jointly creating a good work-life balance environment.

The Group's Human Resources Department oversees staff attendance management, having implemented a multi-tiered authorisation framework to standardise leave application procedures and ensure all stages are subject to rigorous vetting protocols. To ensure the effective implementation of the system, the Human Resources Department, the Office, and the Disciplinary Department conduct random inspections of the attendance situation in various departments regularly, aiming to eliminate any form of forced labour. If any instances of forced labour are discovered, the Group will promptly implement corrective measures to halt non-compliant practices, while rigorously enforcing full accountability for those involved through established disciplinary protocols – thereby ensuring operational compliance and safeguarding statutory employment rights.

8.1.4 Equal Opportunity, Diversity and Anti-Discrimination

We always adhere to an equal and diverse employee management philosophy, are committed to fostering a fair and just working environment. In human resources management, we strictly follow the recruitment principles of “openness, equality, competitive selection”, with a strong emphasis on evaluating candidates' professional knowledge, comprehensive competencies, business acumen, and alignment with the Group's core values. We guarantee that all employees enjoy equal rights in recruitment, compensation, and career advancement opportunities, ensuring no discrimination based on gender, age, religious beliefs, ethnicity, disability status, health conditions, marital status, pregnancy, or any other protected characteristic. This approach underscores our dedication to inclusivity, fairness, and professional excellence across all aspects of our workforce management.

In terms of remuneration and ranking allocation, the Group has established a comprehensive assessment mechanism that determines employees' salary packages and career progression based on their job performance and work contributions, fully reflecting the fairness and transparency of compensation management. We are committed to fostering an open, inclusive, and diverse work environment where every employee can fully realise their potential in a fair and competitive atmosphere, achieving both professional growth and personal fulfilment.

8. EMPOWERING EMPLOYEES

8.1.5 Employee Benefits and Welfare

We strictly abide by the *Social Insurance Law of the People's Republic of China*, protect the rights of employees to obtain material assistance from the state and society in accordance with the law, and safeguard employees' social insurance and enjoy legitimate rights and interests. We organised a wide range of staff activities during the year with the aim of promoting exchanges and collaboration among staff and further enhancing team cohesion and sense of belonging. The Group's per capita expenditure on employee benefits, social insurance and housing provident fund contributions for 2024 amounted to 45,700 yuan.



The Second Staff Sports Event



Team Singing Competition



International Women's Day
Theme Activities



Publicity and Education Movie
Watching Activities

8. EMPOWERING EMPLOYEES

As a responsible enterprise that cares for its employees, we always endeavour to provide them with good welfare benefits. During the Reporting Period, the Group's head office and subsidiaries organised a series of employee care activities to further understand the living conditions of our employees through visits and warmth delivery, and to pay attention to the physical and mental health of our employees on all fronts.



2024 New Year and Spring Festival Warmth Giving Event



Visiting Jiusi Power Supply Station in the Alpine Region



Heatstroke Prevention Activities



Visiting and Consoling Activities for Workers in Difficulty

8. EMPOWERING EMPLOYEES

8.2 OCCUPATIONAL HEALTH AND SAFETY

The Group adheres to the safety management concept of “prevention first and combination of prevention and control” and formulates a comprehensive safety management system. We actively implement a series of occupational health and safety management measures and conduct various safety training programs to ensure employees have a safe working environment. The Group strictly enforces workplace safety standards, conducts regular risk assessments and implements relevant safety procedures and measures to effectively prevent workplace injuries and occupational hazards.

We continue to optimise the safety conditions in our workplaces and create a healthy and safe working environment for our employees through systematic risk control and prevention mechanisms. These measures fully reflect the Group’s concern for the physical and mental health of our employees and ensure that every employee can fully develop their potential and realise their career development and self-worth in a safe and secure environment.

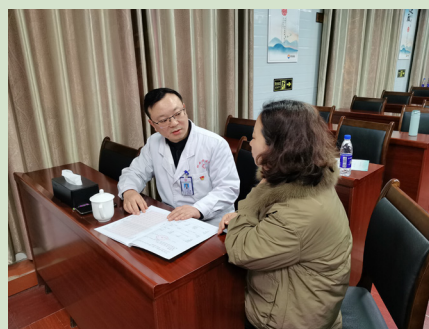
During the Reporting Period, the Group has strictly complied with the following laws and regulations concerning the provision of a safe working environment and protection of employees from occupational hazards, which have significant impact on our operations (including but not limited to):

8. EMPOWERING EMPLOYEES

The Group has formulated a series of policies following the above laws and regulations on occupational health and safety, as well as the Group's *Safety Production Management Standard*. In terms of the prevention and elimination of occupational hazards and the prevention of occupational diseases, we have formulated and implemented the *Occupational Health Management System*, the *Work Injury Insurance Management System*, the *Regulations of Electricity Safety Equipment Management* and other policy documents to regulate the management of occupational disease hazards, work injury insurance, the use of electrical safety equipment and other aspects.

During the Reporting Period, the Group invested a total of 8,777,145.87 yuan in health and safety production resources and organised more than 358,505 hours of health and safety training in total, with more than 16,513 person-times participating in the training. The substantial improvement over the previous reporting period demonstrates the Group's high level of concern for the health and safety of its employees.

The Group recorded zero work-related fatalities in the past three reporting years (including the current reporting year) and zero lost days due to work injury during the year. We maintain an uncompromising stance on health and safety risk mitigation, committing to sustained enhancements of workplace conditions through proactive implementation of staff well-being initiatives – firmly upholding our pledge to foster secure, health-conscious operational environments underpinned by principled care.



In order to further enhance the health awareness of workers, Sichuan Energy Gong County Electricity invited the expert team of Gongxian hospital to carry out 'caring for workers-concerned about health' physical examination report interpretation and health knowledge seminar. At the seminar, Qi Wenmeng, the director of Health Management Centre of Gongxian Hospital, gave an in-depth explanation on the characteristics of spring climate and health hazards. After the seminar, Qi Wenmeng and other experts also provided 'one-to-one' interpretation of medical reports and health consultation services for the workers on site.

8. EMPOWERING EMPLOYEES

On the basis of improving the management system, the Group has also established an occupational health and safety training system, incorporated safety training into the key points of safety work throughout the year, and issued the *Key Points of Safety and Environmental Protection Work*. According to the *Sichuan Province Production Safety Regulations* implemented since 2023, we have carried out safety training for all employees, new employee three-level safety training, job skills training, and other work as planned. We have also conducted assessments of the training implementation. The following occupational health and safety management measures are implemented at the Group level, including but not limited to:

Management Personnel Allocation

- An entity with serious occupational disease hazards shall have safety management personnel for part-time occupational health management. Such personnel shall have occupational health knowledge and management capabilities corresponding to the production and operation activities carried out by the entity, and shall receive occupational health training, and shall not work until they have obtained the corresponding qualifications.

Safety Equipment Management

- Electrical safety equipment shall be selected from the list of qualified products of electrical safety equipment manufacturers published by the Electric Power Industry Electrical Safety Equipment Quality Supervision, Inspection and Testing Centre, prioritising commonly used products;
- It is strictly forbidden to select, purchase and use “Three-nos” (no manufacturer’s logo, no product licence, and no product certification) electrical safety tools.

Occupational Health Assessment

- For some engineering construction, technical transformation and technology introduction projects that may cause occupational disease hazards, pre-evaluation of occupational disease hazards shall be conducted during the feasibility demonstration stage to evaluate the factors that may cause occupational disease hazards in the project and their impact on workplace safety and labour health, and determine the types of hazards and occupational disease protection measures.

Occupational Health Knowledge Training

- Each subsidiary must provide employees with occupational health knowledge training before and during their employment. The training includes: production safety regulations, operating procedures, hazardous factors, preventive measures, emergency response measures for accidents, identification of occupational hazards, consequences of occupational hazards, and methods for reporting occupational hazards.

Occupational Health Examination

- Each subsidiary organises and carries out annual physical examination for employees. The occupational health examination shall be borne by the medical and health institutions that have obtained the Medical Institution Practising Licence, and the occupational health examination expenses shall be borne by each subsidiary.



8. EMPOWERING EMPLOYEES

8.3 EMPLOYEE TRAINING AND DEVELOPMENT

The Group adheres to the core value of being people-oriented and places emphasis on talent cultivation in its human resources management. Through the establishment of a comprehensive training management system, the improvement of related systems and the optimisation of talent development pathways, we encourage our employees to continue to enhance their professional knowledge and vocational skills, and to contribute positively to the development of the enterprise. In the future, we will further enhance the professional growth of our employees and establish a more comprehensive training system to help them achieve new successes in their careers.

To ensure the quality of training and enhance the management of internal and external trainers, the Group have formulated the *Trainer Management Measures* to advance the trainer team and improve the internal training system. The management measure revolves around the strategic development needs of the Company and aims to establish an integrated training system of “curriculum system, lecturer system, and institutional system.” It not only ensures openness, fairness, and impartiality in the selection of trainers but also adopts a dynamic management approach to the appointment. In addition, the management measure proposes to establish a learning and exchange platform for internal trainers and regularly organise seminars and other activities to help them improve the quality of teaching.

To standardise the management of staff education and training, promote scientific, institutionalised education and training, and cultivate a talent team that adapts to the Company’s development, we have formulated the *Measures for the Administration of Training*. The measures clearly state that the training of the Group must adhere to the principles of “teaching according to needs and strategies”, “all-staff training with diverse grades”, “value-oriented, performance improvement” and “strengthening systems and promoting strict management.” It also specifies the management responsibilities, training targets, training content and methods, training plan and organisation, evaluation and management, training resource construction, training fund management, and training discipline.

Our training programmes mainly cover two categories, namely business training and occupational safety training. The Human Resources Department of the Group analyses the Group’s human resources strategic planning in October annually and conducts interviews with the Group’s senior management, department heads and the human resources department of subsidiaries. Additionally, all subsidiaries are required to complete an *Annual Training Needs Assessment Form* to facilitate the development of the following year’s training plan. The four bases for the Group’s training needs analysis are as follows.

8. EMPOWERING EMPLOYEES

8.3.1 Business Training

The Group actively organises diversified professional training programmes to ensure employees continuously enhance their expertise and skills across all dimensions, achieving personal growth while contributing significantly to the corporate development. In addition to traditional offline training sessions, we utilise interactive live-streaming platforms to deliver comprehensive online courses, which not only facilitate employee participation but also flexibly accommodate diverse learning needs. Through these initiatives, we encourage employees to strengthen theoretical foundations, refine professional competencies, and elevate core job-related competitiveness, thereby creating greater value for the enterprise. In 2024, the Group's total expenditure on employee education and development amounted to 4,656,300 yuan, allocated towards delivering comprehensive professional skills training programmes across the workforce.



The Group also conducted skill recognition and assessment for electrician technician and senior technician through online training. Candidates wrote professional essays based on their own occupations (job type) and related technical work, followed by remote live-streamed defense examinations.

Our training schemes cater to both new and existing employees, covering multiple categories including management, professional technical skills, operational training, safety education, continuing education, onboarding programmes, post-qualification academic education, human resources, financial literacy, and finance-specific training. Through these multifaceted knowledge and skill development initiatives, coupled with competency assessments, we are committed to comprehensively elevating employees' professional capabilities and fostering a workforce equipped with modern corporate management expertise and high-level specialisation. This robust talent development strategy will serve as a cornerstone for the Group's operational growth, strengthening its market competitiveness.

8. EMPOWERING EMPLOYEES



In order to deepen the vocational skills training of our employees and broaden the development channels of talents, we held the training and examination for junior, intermediate and senior workers at the Yibin Integrated Information Dispatch Centre from 10 to 14 May 2024. External experts were invited to give lectures around the relevant theoretical knowledge of the electrician profession, skills requirements and comprehensive competence of the position. A total of 74 frontline employees participated in the training and examination.

8.3.2 Occupational Safety Training

The Company has established a comprehensive occupational health and safety training framework to strengthen group-wide production safety governance and facilitate quality-driven growth. Safety training is embedded as a cornerstone of our annual safety strategy, with centrally coordinated programmes issued to both headquarters and subsidiary entities. These initiatives encompass enterprise-wide safety inductions, three-tier induction programmes for newly recruited staff, and specialised training for personnel in high-risk operational roles. The curriculum addresses critical topics, including adherence to operational safety protocols and compliance with fire prevention regulations.

To ensure the integrity of workplace safety practices, all participants undergo mandatory competency evaluations upon completing training. Individuals who fail to meet the required standards must repeat equivalent training modules until certification is attained. In strict accordance with relevant statutory obligations and internal policies, personnel unable to demonstrate competency are prohibited from undertaking operational duties.



On 14 November 2024, Sichuan Energy Xuzhou Electricity actively organised a fire emergency evacuation drill around the theme of 'Fire fighting for all, life first'. The exercise, which took the form of physical display, on-site explanation and group drills, focused on publicising electricity fire regulations, firefighting knowledge, characteristics of firefighting appliances and escape methods, enhancing the learning effect of fire safety knowledge and creating an atmosphere of safe electricity use.

8. EMPOWERING EMPLOYEES

8.4 HUMAN RESOURCES PERFORMANCE

As of the end of 2024, the Group had a total of 2,686 full-time contract employees and 76 dispatched workers. Our human resources performance is as follows:

NUMBER OF EMPLOYEES AND TURNOVER

Category		Number of employees (person)	Number of employee turnover (person)	Turnover rate ¹⁰ (percentage)
Gender	Male	2,121	100	4.71%
	Female	565	52	9.20%
Age Group	Under 35 years old	542	10	1.85%
	35-50 years old	1,225	36	2.94%
	Over 50 years old	919	106	11.53% ¹¹
Employment type	Full-time contract	2,686		
	Dispatched workers	76		
Region	Chengdu, Sichuan Province	78	3	3.85%
	Yibin, Sichuan Province	2,582	149	5.77%
	Zhaotong, Yunnan Province	26	0	0.00%

NUMBER AND HOURS OF EMPLOYEE TRAINING

Category		Number of employees (person)	Number of trainees (person)	Average training hours ¹² (hours)	Training rate ¹³ (percentage)
Gender	Male	2,121	2,103	150.44	99.15%
	Female	565	560	263.46	99.12%
Employee Category	Senior Management	76	76	497.60	100.00%
	Middle Management	394	393	429.57	99.75%
	General Employees	2,216	2,194	118.83	99.01%

¹⁰ The employee turnover rate is calculated by dividing the number of employee turnover in the category during the Reporting Period by the total number of employees in the category as at the end of the Reporting Period.

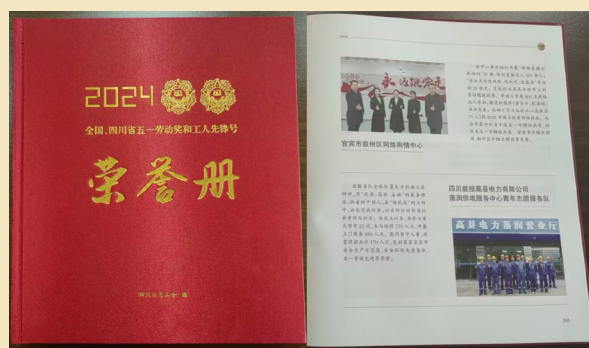
¹¹ The attrition rate among employees aged 50 and above has risen this year compared to previous years. This increase is primarily attributable to a significant proportion of this age cohort reaching the statutory retirement age during the Reporting Period and subsequently taking retirement.

¹² The calculation of average training hours of employees is based on the total training hours of employees in the category/the total number of employees in the category. The overall average number of training hours decreased compared to the year 2023 due to a change in the training hour statistics cutoff in 2024.

¹³ The calculation method of the percentage of employee training is: the number of trained employees in the category /the total number of trained employees in the category.

9. CO-BENEFITING SOCIETY

The Group maintains robust business growth while proactively discharging its corporate social responsibilities, with focused attention on supporting vulnerable communities, addressing climate challenges, and advancing public health objectives. Through diversified community investment programmes and concrete action plans, we actively contribute to societal progress. Recognising the intrinsic interdependence between commercial success and social cohesion, we remain steadfast in our efforts to advance sustainable development and foster shared prosperity. During the Reporting Period, approximately 470,000 yuan was allocated to public welfare initiatives and rural revitalisation projects.



The Youth Volunteer Service Team of Sichuan Energy Gao County Electricity Luorun Power Supply Service Centre was awarded the title of 'Worker Pioneer of Sichuan Province' in 2024. The award was to recognise its contribution to grassroots services and its fitness for the three qualities of the award, namely 'extensive reach, universal relevance, and exemplary impact'. This accolade highlights industrial workers demonstrating knowledge-driven expertise, technical proficiency, and innovative practices, while aligning with strategic priorities such as the Chengdu-Chongqing Twin-City Economic Circle initiative, carbon neutrality targets, and rural revitalisation efforts. The honour underscores the team's pioneering role in advancing energy transition and driving regionally impactful development strategies.

9.1 ENSURING ELECTRICITY SUPPLY FOR PEAK POWER DEMAND IN SUMMER

During the summer flood season, Sichuan Province frequently experiences extreme weather conditions such as gusts, heavy rainfall, and thunderstorms, which pose significant risks of severe damage to power grids, potentially triggering widespread outages and creating formidable challenges for electricity supply. To address these risks, the Group has formulated meticulous deployment plans, refined countermeasures, and reinforced accountability mechanisms to ensure balanced dispatch and prioritise the core objectives of "safeguarding public welfare, critical infrastructure, and operational safety", thereby maintaining stable and orderly power supply within our service areas.

In this context, subsidiaries have proactively monitored weather patterns and fluctuations in grid load, while enhancing load forecasting capabilities. Based on real-time grid load variations, risk assessments and supply-demand balance analyses are conducted to dynamically adjust grid operations. To bolster flood prevention measures Sichuan Energy Junlian Electricity established a Flood Prevention and Drought Relief Task Force this year, implementing stringent pre-flood power security protocols to strengthen dual preventive mechanisms for safety risk control and hidden hazard management, ensuring critical equipment safety during flood seasons.

The Group has developed "summer peak season" dispatch measures and contingency plans, overseen by a dedicated Peak Summer Power Supply Assurance Task Force, to guarantee uninterrupted supply during high-demand periods. The task force convened multiple thematic meetings to rigorously evaluate electricity supply-demand dynamics and validate the efficacy of implemented measures. Subsidiaries have also conducted comprehensive safety inspections tailored to their operational realities, ensuring thorough identification and elimination of safety hazards, with risks confined to controllable thresholds. Furthermore, the Group revised its Overall Emergency Response Plan for Incidents and formulated the *2024 Junlian Power Grid Emergency Response Plan for Ensuring Power Supply Security*, a specialised contingency protocol for flood response and large-scale outages, outlining emergency workflows to enable swift resolution of supply disruptions.

To ensure the secure and stable operation of grid infrastructure during peak summer periods, the Group established inspection teams led by senior management, tasked with regular audits of ongoing construction sites to identify latent issues. During inspections, detailed rectification measures and timelines are issued to ensure prompt and effective resolution of identified risks, thereby safeguarding grid integrity.

9. CO-BENEFITING SOCIETY

9.2 POWER SUPPLY ASSURANCE FOR EXAMINATIONS, SCHOOL OPENINGS, AND HOLIDAYS

To address peak electricity demand during holidays, school openings, and examination periods, the Group implemented comprehensive arrangements to stabilise supply for critical facilities and residential areas. Subsidiaries pre-emptively formulated internal policies such as the *2024 Emergency Power Supply Plan for Secondary School Entrance Examinations*, the *2024 Emergency Power Supply Plan for National College Entrance Examinations*, and the *2024 Labour Day Holiday Power Supply Assurance Plan* to mitigate outage risks during high-demand periods.

These plans ensure adequate power supply during critical events and enable rapid response to emergencies, securing uninterrupted residential electricity access. Additionally, preventive maintenance and outage schedules for substations were devised to minimise disruptions during essential repairs. Through these integrated measures, we strive to deliver reliable power supply, ensuring safety and stability during holidays and major examinations.

9.3 EMPOWERING SMALL AND MICRO ENTERPRISES WITH UNINTERRUPTED POWER SUPPLY

The Group remains steadfast in delivering premium power supply services to small and micro enterprises, ensuring rapid responses to their electricity access applications. We proactively conduct energy efficiency training and guidance initiatives, including on-site workshops and thematic sessions, to enhance employees' energy-saving awareness, strengthen safety competencies, and advise enterprises on cost reduction and operational efficiency improvements.

In recent years, Sichuan Energy Pingshan Electricity has rigorously implemented the "Three Zero" policy, investing over RMB4 million cumulatively to alleviate electricity access costs for small and micro enterprises. Recognised for its efficient services, Sichuan Energy Pingshan Electricity received gratitude from Pingshan Senshanmu Wood Processing Co., Ltd. on 25 December 2024, along with an honorary banner inscribed with "Optimising Business Environment with Power Leadership, Three Zero Policy Empowering SMEs, Exemplifying State-Owned Enterprise Responsibility".

Upon receiving Pingshan Senshanmu Wood Processing Co., Ltd.'s electricity application, Sichuan Energy Pingshan Electricity Dacheng Power Supply Station swiftly mobilised a professional task force for on-site assessment and completed capacity expansion of a 315 kVA transformer within two days. The upgraded capacity exceeded the enterprise's declared load by 110%, providing robust power security for sustained operations.

We fully recognise small and micro enterprises as vital contributors to economic growth and will continue refining efficient, high-quality services to support their growth in competitive markets, fostering mutual development.



9. CO-BENEFITING SOCIETY

9.4 CARING FOR THE COMMUNITY

The Group remains dedicated to addressing community needs and fostering development through systematic outreach initiatives. In 2024, we allocated substantial resources to implement diverse community care programmes, including volunteer services and household visits, building strong relationships with residents and prioritising the welfare of vulnerable groups to contribute meaningfully to societal progress.

Our activities encompassed multifaceted support: providing daily assistance to elderly individuals living alone, addressing poverty-stricken households' needs, and organising health workshops and cultural exchange events to enhance residents' quality of life and well-being. Additionally, we encouraged employee participation in community service, raising awareness of local challenges and collectively improving community environments.

Sichuan Energy Xuzhou Electricity launched a series of activities on the "Protect Our Mother River Day" this year to actively promote environmental protection in the community. Through a series of public service activities, our staff not only promoted electricity consumption to the public and raised their awareness of energy conservation, but also inspected dedicated transformers to ensure the safety and stability of power supply. In addition, we organised volunteers to clean up rubbish in the Mother River and its surrounding areas, aiming to improve the water quality and protect the ecosystem.



The General Branch of Sichuan Energy Gao County Electricity organised the "Cherish the Elderly, Warmth in Twilight" volunteer service activity. On 11 October 2024, young volunteers visited six elderly households. During the activity, the volunteers not only cared about the needs of the elderly, but also assisted with daily tasks such as silkworm cocoon harvesting, housekeeping, and bedding organisation. Prior to departure, they conducted comprehensive electrical safety inspections of wiring, high-power appliances, and switches to eliminate hazards and ensure secure electricity usage.

On 27 May 2024, in order to welcome the arrival of Children's Day Sichuan Energy Gong County Electricity organised the party member volunteers of the company to go to Xiaoyi Township, to carry out the visiting activities of caring for the children in difficulty and the left-behind children in the rural areas. The volunteers patiently listened to the children's voices and learnt more about their living conditions, learning conditions and hobbies. Volunteers also encouraged the children to face difficulties, establish good moral qualities and an optimistic attitude towards life, and helped them to strengthen their self-confidence.



9. CO-BENEFITING SOCIETY

To ensure business activities consistently prioritise societal interests, the Group pledges to formulate corresponding arrangements and plans that guarantee orderly and impactful support initiatives. In fulfilling this commitment, subsidiaries actively engage in rural revitalisation programmes. We deploy resident cadres to monitor poverty recurrence risks among uplifted households and implement targeted support actions to stimulate local economic development and income growth. These measures are designed to tangibly improve living standards and drive holistic social progress, reflecting the Group's dedication to corporate social responsibility. We remain committed to contributing to societal development and prosperity.



Sichuan Energy Junlian Electricity actively supported the flue-cured tobacco industry in Longpan Village, Haoba Town, aligning with the county's "Early Action for Tobacco Production" strategy. Focusing on "stable power supply and optimised services", we upgraded 47 transformer zones, 4.37 kilometres of 10 kV lines, and 6 kilometres of 0.4 kV and below lines in major tobacco-growing towns like Haoba, Daxueshan, and Shuangteng, injecting vitality into local agricultural economies.



On 24 June 2024, villagers of Fengming Village, Caoying Town, Gong County, Yibin City, presented a banner to Sichuan Energy Gong County Electricity's Caoying Power Supply Station in recognition of its swift resolution of low-voltage issues. As household electricity demand surged, technical teams promptly monitored and assessed the grid, erecting 10 new 10-metre poles and installing 680 metres of 220-volt lines to stabilise voltage levels, ensuring reliable power access for residents.

10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Mandatory Disclosure Requirements	Content	Chapter Reference or Notes
Governance Structure	<p>A statement from the board containing the following elements:</p> <ul style="list-style-type: none"> (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses. 	<p>5. Sustainable Development Management</p> <p>5.1 ESG Governance Structure</p> <p>5.2 ESG Risk Management</p> <p>5.3 ESG Targets</p>
Reporting Principles	<p>A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report:</p> <p>Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement.</p> <p>Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.</p> <p>Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.</p>	2.3 Reporting Guidelines
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	2.1 Reporting Scope

10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Aspect	KPI	Content	Chapter Reference or Notes
A. Environmental aspect			
A1 Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	7. Green Practices 7.1 Environmental Protection Management 7.5 Energy Conservation and Emissions Reduction
	A1.1	The types of emissions and respective emissions data.	7.5.2 Emissions Management 7.5.3 Environmental Performance
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	7.5.3 Environmental Performance
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	7.5.3 Environmental Performance
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	7.5.3 Environmental Performance
	A1.5	Description of emissions target(s) set and steps taken to achieve them.	5.3 ESG Targets 7.5 Energy Conservation and Emissions Reduction
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	5.3 ESG Targets 7.5.2 Emissions Management

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Aspect	KPI	Content	Chapter Reference or Notes
A2 Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	7. Green Practices 7.1 Environmental Protection Management 7.3 Natural Resources 7.5 Energy Conservation and Emissions Reduction
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000 s) and intensity (e.g. per unit of production volume, per facility).	7.5.3 Environmental Performance
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	7.5.3 Environmental Performance
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	5.3 ESG Targets 7.4 Clean Energy Development 7.5.1 Resources Conservation 7.5.2 Emissions Management
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	5.3 ESG Targets 7.5.1 Resources Conservation
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable to the Group's business

10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Aspect	KPI	Content	Chapter Reference or Notes
A3 The Environmental and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	7. Green Practices
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	7.3 Natural Resources 7.4 Clean Energy Development 7.5 Energy Conservation and Emissions Reduction
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.	5.2 ESG Risk Management 7.2 Climate Change
	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	5.2 ESG Risk Management 7.2 Climate Change 7.4 Clean Energy Development

10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Aspect	KPI	Content	Chapter Reference or Notes
B. Social aspect			
B1 Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	8.1 Human Resources Management 8.1.1 Recruitment and Dismissal 8.1.2 Compensation and Promotion 8.1.3 Working Hours and Holidays 8.1.4 Equal Opportunity, Diversity and Anti-Discrimination 8.1.5 Employee Benefits and Welfare
	B1.1	Total workforce by gender, employment type, age group and geographical region.	8.4 Human Resources Performance
	B1.2	Employee turnover rate by gender, age group and geographical region.	8.4 Human Resources Performance
B2 Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	8.2 Occupational Health and Safety
	B2.1	Number and rate of work-related fatalities that occurred in each of the past three years including the reporting year.	8.2 Occupational Health and Safety
	B2.2	Lost days due to work injury.	8.2 Occupational Health and Safety
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	8.2 Occupational Health and Safety 8.3.2 Occupational Safety Training

10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Aspect	KPI	Content	Chapter Reference or Notes
B3 Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	8.3 Employee Training and Development
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	8.4 Human Resources Performance
	B3.2	The average training hours completed per employee by gender and employee category.	8.4 Human Resources Performance
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.	8.1 Human Resources Management 8.1.1 Recruitment and Dismissal
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	8.1 Human Resources Management 8.1.1 Recruitment and Dismissal
	B4.2	Description of steps taken to eliminate such practices when discovered.	8.1 Human Resources Management 8.1.1 Recruitment and Dismissal
B5 Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	6.3 Supplier Management
	B5.1	Number of suppliers by geographical region.	6.3 Supplier Management
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	6.3 Supplier Management
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	6.3 Supplier Management
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	6.3 Supplier Management

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Aspect	KPI	Content	Chapter Reference or Notes
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.	6.1 Quality Guarantee 6.1.1 Safe Power Supply 6.1.2 Customer Service The Group's business does not involve advertising or labelling; therefore, it does not have any information regarding related policies, laws, or regulations
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable to the Group's business
	B6.2	Number of products and service-related complaints received and how they are dealt with.	6.1.2 Customer Service
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	6.1.4 Maintenance and Protection of Intellectual Property Rights
	B6.4	Description of quality assurance process and recall procedures.	6.1.1 Safe Power Supply Recalling procedures are not applicable to the Group's business
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	6.1 Quality Guarantee 6.1.2 Customer Service 6.1.3 Information Security and Privacy

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Aspect	KPI	Content	Chapter Reference or Notes
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.	6.4 Anti-corruption
	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.	6.4 Anti-corruption
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	6.4 Anti-corruption
	B7.3	Description of anti-corruption training provided to directors and staffs.	6.4 Anti-corruption
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.	9.Co-benefiting society
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	9.1 Ensuring Electricity Supply for Peak Power Demand in Summer 9.2 Power Supply Assurance for Examinations, School Openings, and Holidays 9.3 Empowering Small and Micro Enterprises with Uninterrupted Power Supply 9.4 Caring for the Community
	B8.2	Resources contributed (e.g. money or time) to the focus area.	9.1 Ensuring Electricity Supply for Peak Power Demand in Summer 9.2 Power Supply Assurance for Examinations, School Openings, and Holidays 9.3 Empowering Small and Micro Enterprises with Uninterrupted Power Supply 9.4 Caring for the Community