



中国智能交通系统(控股)有限公司
China ITS (Holdings) Co., Ltd.

(incorporated in the Cayman Islands with limited liability)

Stock Code: 1900

Environmental,
Social and
Governance Report

2024



Environmental, Social and Governance Report

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Environmental, Social and Governance Report

ABOUT THIS REPORT

This is the ninth Environmental, Social and Governance (“ESG”) Report issued by China ITS (Holdings) Co., Ltd. (“the Company” or “CIC” or “We”). This report mainly introduces the Company’s policies regarding environmental, social and governance issues and detailed measures adopted during the reporting period, which is meant to strengthen communication and engagement with internal and external stakeholders.

Scope of Coverage

The following table illustrates that the scope of coverage of this report comprises China ITS (Holdings) Co., Ltd. and its main domestic and overseas subsidiaries and offices. For convenience of presentation, Myanmar Hlawga GGE Power Plant Company Limited and Myanmar Ahlone Power Plant Company Limited are collectively referred to as “Myanmar Power Plant”. In terms of the scope of coverage, the CIC Transportation Systems Technology Malaysia AND BHD operated in Malaysia is newly included as compared with the previous reporting year.

No.	Company
1	Beijing Aproud Technology Co., Ltd. (北京亞邦偉業技術有限公司)
2	Beijing Haotian Jiajie New Energy Co., Ltd. (北京昊天佳捷新能源有限公司)
3	Beijing Hongrui Dake Technology Co., Ltd. (北京宏瑞達科科技有限公司)
4	Beijing Jiujian Technology Co., Ltd.* (北京九建科技有限公司)
5	Beijing Zhixun Cloud Technology Co., Ltd. (北京智訊雲技術有限公司)
6	Beijing Zhixun Tiancheng Technology Co., Ltd. (北京智訊天成技術有限公司)
7	Beijing Zhongzhi Runbang Intelligent Railway Transportation Technology Co., Ltd. (北京中智潤邦智慧軌道交通技術有限公司)
8	British Cayman Islands China ITS (Holdings) Co., Ltd., Beijing Representative Office (英屬開曼群島中國智能交通系統(控股)有限公司北京代表處)
9	CEEC Global Limited (世波工程有限公司)
10	Chengdu Zhongzhi Runbang Transportation Technology Co., Ltd. (成都中智潤邦交通技術有限公司)
11	CIC Information Technology Company Limited
12	CIC Infrastructure Industry Investment Limited (中智基礎產業投資有限公司)
13	CIC Transportation Systems Technology Malaysia AND BHD
14	Jiangsu Zhongzhi Transportation Technology Co., Ltd. (江蘇中智交通科技有限公司)
15	Myanmar Ahlone Power Plant Company Limited
16	Myanmar Hlawga GGE Power Plant Company Limited
17	Xizang Intelligent Aviation Transportation Technology Co., Ltd. (西藏智航交通科技有限公司)
18	Zhongtian Runbang Information Technology Co., Ltd. (中天潤邦信息技術有限公司)

Time Range

The Company’s ESG report is an annual report and this report is for the period from January 1, 2024 to December 31, 2024.

Basis of Preparation

This report is prepared in accordance with the requirements of The Hong Kong Exchanges and Clearing Limited (“HKEx”) Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”).

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STRENGTHENING ESG RESPONSIBILITY MANAGEMENT

Vision of ESG Management

China ITS (Holdings) Co., Ltd. is mainly a provider of products, specialised solutions and services related to infrastructure technology in the railway and electric power sectors to meet their multifaceted requirements in terms of safety, reliability, efficiency, environmental friendliness and ROI.

Since its establishment, CIC has been committed to common development of economy, society and environment, promoting sustainable business practices. Besides, CIC performs its corporate social responsibilities in order to better capture the opportunities from the development of the industry.

Corporate Vision

Deliver solutions which enhance safety, efficiency, convenience and environmental protection for the transportation industry.

Corporate Value

Integrity, Professionalism, Innovation and People



Environmental, Social and Governance Report

ESG Governance

To effectively implement the ESG governance of the Company, we have established a defined structure for sustainable development governance, which consists of the Board, ESG Task Group, as well as the Company's various functional departments, subsidiaries, to promote the orderly progress of ESG governance of the Company.

Statement of the Board

In 2024, the Company adopted continuous measures to adhere to the mission vision of making traffic safer, more efficient, more convenient and more environmentally friendly. The Company was further involved in the national "The Belt and Road" cooperation Initiative to steadily promote high-quality development of "The Belt and Road". We embrace the national "3060" dual carbon goal, continue to promote sustainable business practices and perform our corporate social responsibilities in order to better capture the opportunities brought by the development of the industry and create more integrated value for employees, customers, stakeholders and our society.

Improving the ESG Governance. We established an ESG management organization system, which consists of the Board, ESG Task Group, as well as the Company's various functional departments, subsidiaries, and specified the assignment of responsibilities at all levels to promote the implementation of ESG work within the Company. Among them, the Board of Directors is the highest decision-making organization of ESG management, which guides the direction of our sustainable development, formulates the Company's overall vision, goals and management strategies, and reviews the Company's annual ESG report.

Providing High-quality Services. We strictly control the quality of products and dedicate ourselves to building good customer relationships. We adopted big data, cloud platform and other technologies to develop industry-leading railroad communication system operation and maintenance platform, through which we can better meet customers' needs for consumption upgrade. We actively explore the infrastructure construction market in countries along the Belt and Road Initiative to serve more customers. We also establish a comprehensive complaint mechanism and a variety of ways to receive complaints to listen to customers' demands.

Contributing to Ecological and Environmental Protection. As a non-production high-technology company, we actively practice the concept of energy saving and consumption reduction to create a green and environment-friendly business model, and strives to be the faithful practitioner of the "resource-saving" society. We have developed emergency response plans to actively address climate and environmental risks; and comply with local laws and regulations overseas to protect the local environment when establishing presence in overseas markets. We conduct refined and quantifiable field visits on environmental control to factories in accordance with the relevant requirements of the Environmental Conservation Department of Myanmar.

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Achieving Mutual Benefit and Win-win. Adhering to the principles of mutual benefit and win-win cooperation, we actively integrate and share the industry's advantageous resources, form a community with various stakeholders, make profits for the shareholders, bring benefit to the customers, and allow employees to share the results of corporate development. We provide sufficient training and learning opportunities for our employees through internal training such as Tiancheng College and one class per week.

In addition, we are clearly conscious of the fact that it shall be our practical social responsibility to contribute to the public welfare of the community. Adhering to the development concept of "benevolence", we will give back to society with responsibility and public welfare, establish a good corporate image, upgrade corporate culture and enhance the sense of honor of our employees. In the future, we will continually make intensive cultivation in the railroad business segment and infrastructure construction segment, and continue to sell products and professional solutions to meet the needs of our customers through our own technical and service advantages, so as to empower railroad transportation and build blocks for the infrastructure construction in countries along the Belt and Road Initiative. We will continue to adjust the sustainable development management strategy and promotion methods according to the expectations of stakeholders and the actual operation of the Company to improve the Company's sustainable development level.

We assume full responsibility for the Company's ESG strategy and reporting and are responsible for assessing and determining the Company's ESG risks and ensuring that the Company has an appropriate and effective ESG risk management and internal control system in place. The Board of Directors and its individual members affirm that this report contains no false or misleading statements or material omissions and that they are jointly and severally responsible for the truthfulness, accuracy, and integrity of its content.

Summary of ESG Governance Structure

The Board of Directors, as the highest decision-making organization of the Company, guides the direction of our sustainable development, and assumes full responsibility of the Company's ESG issues. The Board adopted a board diversity policy which helps to review and provide independent advice in reviewing the ESG report. In the future, the Board will step up efforts to ESG risk management, and assume responsibility of the internal control for ESG risk to ensure the long-term benefits to corporate development and stakeholders.

Meanwhile, the ESG Task Group is responsible for supervision and coordination, implementing decisions of the decision-making organization, communicating and coordinating ESG related affairs, organizing the preparation of ESG reports and reporting to the Board on the implementation of relevant work on an annual basis.

In addition, as executive organizations for specific works, the Company's various functional departments and subsidiaries implement the ESG plan formulated by the Task Group, effectively record and report ESG related information, and fully put the ESG related management work into practice.

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Summary of ESG Governance Structure



Materiality Assessment

Based on the requirements of the HKEx ESG Reporting Code and by reference to procedures for the substantive analysis of the Global Reporting Initiative ("GRI"), the Company gathered issues concerned by major stakeholders by questionnaires and interviews, analyzed and prioritized these issues so as to determine important corporate issues regarding environment, society, and governance and disclose them in the report.

Process of Importance Assessment

- 1) Identify ESG issues related to the Company by analyzing the HKEx ESG Reporting Code and the issues disclosed by peers;
- 2) Invite important stakeholders to assess the importance of the identified issues, among which the internal stakeholders assess such issues mainly from the perspectives of the Company's long-term development strategy, management upgrading, investment priority, and competitive advantages, while external stakeholders assess them from the perspectives of impact on the Company's evaluation and decision-making, as well as on the interests of themselves to produce the first draft of the importance matrix by integrating the assessment of both internal and external stakeholders;
- 3) Prioritize issues to be reviewed by the management of the Company;
- 4) Solicit feedbacks on the report for the period from internal and external stakeholders after the reporting period to prepare for the next report.

Environmental, Social and Governance Report

The Information of Stakeholders and Communicating

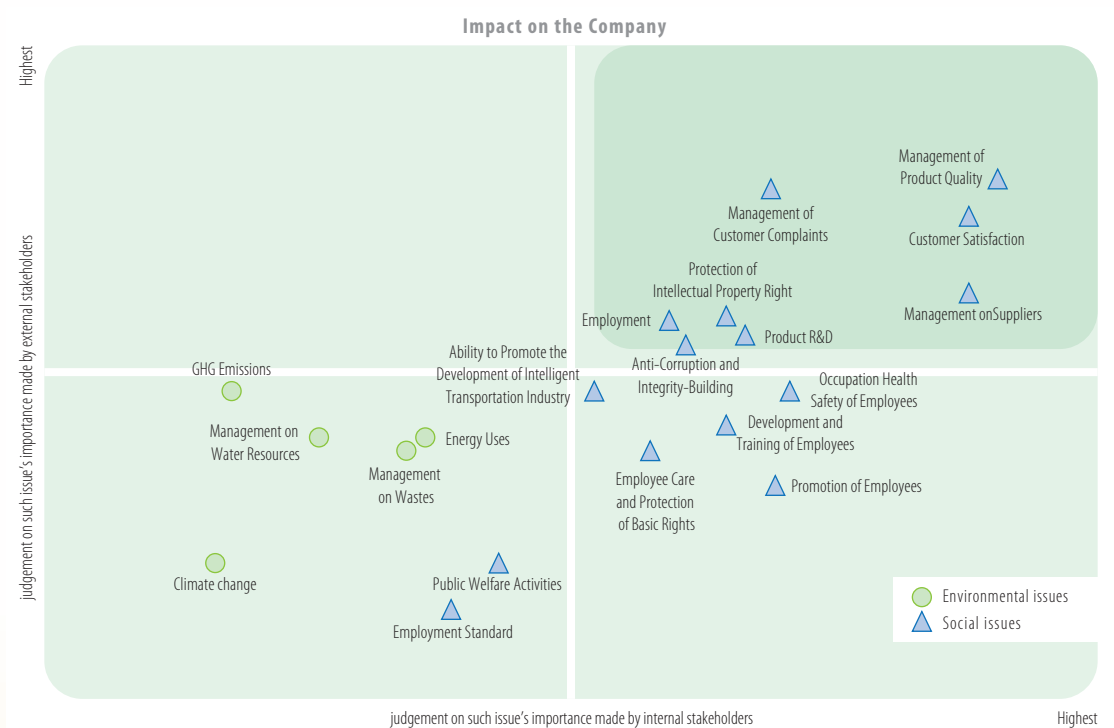
The Company fully considers and effectively responds to the expectations and appeals of stakeholders, in an effort to advance the social development while sharing development results with them.

Stakeholders	Expectations of Stakeholders	Mechanisms of Communication and Participation	Responses from the Company
Investors	<ul style="list-style-type: none"> • Increase of the Company's market value and profitability • Continuously improve the Company's environmental and social responsibility performance 	General meetings, information disclosure, company website	<ul style="list-style-type: none"> • Issue reports regularly, disclose information truthfully and thoroughly, invest effort in making achievements and creating profits • Improve corporate governance and risk management level, convene general meetings, enhance investor relations management and strive to improve environmental and social responsibility management
Customers	<ul style="list-style-type: none"> • High-quality products • Safeguard customer's legitimate interests 	Sign contracts and agreements, customer's satisfaction survey	<ul style="list-style-type: none"> • Provide high-quality products and services • Establish a sound customer service system and customer opinion feedback and complaints mechanism
Employees	<ul style="list-style-type: none"> • Uphold employees' remuneration and benefits • Care for safety and health of employees • Offer equal promotion and development opportunities • Improve the communication mechanism; engage in company management 	Employment contracts, employee's satisfaction survey	<ul style="list-style-type: none"> • Strictly observe provisions within employment contracts, improve the remuneration and benefits system • Offer safe and healthy working environment • Offer development paths for employees, and organise staff training • Offer equal communication channel
Governments	<ul style="list-style-type: none"> • Observe the law, operate in compliance with the regulations, and in line with national policies 	Engage in relevant governmental meetings	<ul style="list-style-type: none"> • Strictly observe relevant laws and regulations, continuously enhance corporate compliance management, and give respond to national policies

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Stakeholders	Expectations of Stakeholders	Mechanisms of Communication and Participation	Responses from the Company
Suppliers	<ul style="list-style-type: none"> Honest, fair and just cooperation, mutual benefits and win-win scenarios to promote industry development 	Sign contracts and agreements, and hold tender and bidding, and supplier meetings regularly	<ul style="list-style-type: none"> Actively perform the contracts and agreements by adhering to open and transparent business principles, adopt an open and transparent procurement model, and develop an accountable supply chain
Peers	<ul style="list-style-type: none"> Fair competition, cooperation with integrity, transparent and open information Compliance with industry standards, and advancement of industry innovation 	Exchanges with relevant research institutes, associations, mainstream media related to the industry	<ul style="list-style-type: none"> Strengthen communication and cooperation with peers; jointly create a healthy and orderly competitive environment Participate in industry innovations and researches and appraisal of outstanding enterprises, achieve mutual benefits, win-win and mutual improvement, and put forward proposals for industry standards

Priority Matrix of Issues



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1 PROFESSIONALISM

1.1 Strictly Guaranteeing Product Quality

Strictly complying with the Product Quality Law of the People's Republic of China and in adherence to its corporate mission of "making railway communication safer, more efficient, and more convenient with quality service and professional solutions", CIC implements the quality plan and management policy of "Strengthening Management, Ensuring Quality, Dedicated Service and Customer Satisfaction", promotes an institutionalized, systematic, and IT based quality control and management system and implements project-cycle safety management to cultivate the quality awareness of engineers and service personnel and develop high-quality, efficient, and safe intelligent transportation solutions. Furthermore, it has provided technical support for system upgrade and stability during system operation and management to ensure safe transportation for society, partners, and customers. The Company develops the following quality management systems:

- The delivered project is required to be 100% self-inspected. The project self-inspection report shall be submitted by the person in charge of project quality (engineering supervision) within one week after 80% of the project is completed, including hardware & software quality inspection reports, site photos of hardware quality, project memo, data script, etc.
- Special quality managers are appointed by the Technical and Quality Department of the Company based on the actual situation of the project to carry out random inspections on completed projects in various regions. The sampling rate of key projects shall not be less than 50%, and the sampling rate of general projects shall not be less than 20%. The passing score for quality inspection is 90 out of 100, and any problems affecting safe operation of equipment during the hardware inspection must be rectified.
- Establish a database of legacy issues for each project, and track, record, and manage all project legacy issues in close-loop.
- The three authorization systems for high-risk operations (customer authorization, technology authorization, management authorization) must be strictly implemented, and technical solutions that affect the operation of all existing network equipment must be sent to the person in charge of the corresponding product line for review in advance. The technical solutions for major operations are sent by one week in advance, while the general operations are 3 days in advance.

Strictly follow the accident reporting system. In case of communication interruption, relevant persons in charge of project and market are required to be notified within 30 minutes, and relevant personnel in the corresponding Huawei office should also be notified. During the year, there was no violation of production and service responsibility which had material impact on the Company.

With the goal of customer satisfaction, we will enhance management, cultivate the quality awareness of engineering and service personnel, and improve the quality of engineering delivery and service products, all of which are aimed at building a first-class engineering and service team.

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Strict quality control of software products

Quality is the lifeline of an enterprise. The Company has always attached great importance to quality management. Therefore, the Company has set up the quality management goal of project delivery quality with a passing score of 90 out of 100. It has also established the Quality and Safety Department to carry out inspections and spot checks on various regional projects. In terms of service products, the Company has formulated various quality management specifications such as the General Hardware Quality Management Specification, Data Network Product Software Quality Management Specification, Optical Network Product Software Quality Management Specification, Access Network Product Software Quality Management Specification, and GSM-R Network Product Software Quality Management Specification. The Company also develops the following quality management systems:

- (1) Before the completion of the project, the project self-inspection report and relevant documents shall be submitted by the person in charge of project quality (engineering supervision) to the technical department of the Company, including hardware & software quality inspection reports, site photos of hardware quality, project memo, data script, etc.;
- (2) The technical department will carry out random inspections on projects in various regions based on the actual situation of the project;
- (3) The passing score for quality inspection is 90 out of 100;
- (4) Any problems affecting safe operation of equipment during the hardware inspection must be rectified.

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Strict service quality control over construction projects

The Company not only establishes its own quality standards but also strictly abides by relevant industry standards based on the characteristics of the industry, which mainly include GB/T19001-2016/ISO9001:2015 Quality Management Systems Requirements, GB/T24001-2016/ISO14001:2015 Environmental Management System Requirements and Use Guide, GB/T28001-2011/OHSAS18001:2007 Occupational Health and Safety Management System Requirements and Use Guide and TB10205-99 Codes for Construction of Railway Communication, etc.. We continuously standardize our product quality management in accordance with these standards.

During the year, the Company continued to improve and upgrade the quality management system for construction project services through various measures, such as establishing a project quality group, formulating technical disclosure procedures, quality control procedures and technical management pre-control, establishing a construction quality control system, determining various quality detection methods, determining quality assurance measures during the construction process, and strictly following technical assurance measures.

The projects of the Company are classified as new construction and delivery projects and maintenance projects. For new construction and delivery projects:

- The basic process of project delivery includes: project disclosure (checking equipment contracts and bidding documents for major projects) → project survey → stock preparation, shipment, receipt, inspection, and distribution → equipment acceptance → equipment inspection and testing → equipment demonstration station installation → equipment hardware installation → equipment single station commissioning → output of equipment single station commissioning report → project static testing and acceptance → closure of static problem database → project joint debugging and testing → project dynamic testing and acceptance → closure of dynamic problem database → trial operation guarantee → completion document submission → on-site training. In addition, the requirement for timely filing of process documents is strengthened. From the beginning to the end of the project, the project manager is required to collect and submit the following materials in turn: bidding documents, contracts, design drawings, project assignments, project disclosure meeting minutes, arrival receipt, construction plan, weekly report on project progresses, testing and self-inspection reports, acceptance check-in forms and reports, project completion materials, project quality inspection reports, and project summaries. At the same time, the Company has established its own cloud storage and requires all process documents to be uploaded to the cloud storage for filing.
- During the Reporting Period, the Company optimized the report on project progress, significantly improving both the presentation and ease of completion. Additionally, the reports were changed from being sent monthly to weekly, enhancing their timeliness and accuracy. From the implementation results, it is evident that the management of project progress reporting has been significantly improved.
- For maintenance projects, the Company continues to implement the Administration Regulation on Maintenance Delivery Services, which includes: basic services (fault handling, technical support, cutover protection), holiday standby, network inspection, skills training, spare parts service, and cutover operations. The weekly report on maintenance services is submitted on time and quarterly inspections are conducted.

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In the future, the Company will continue to improve its service quality in strict accordance with the established project quality standards and systems, and ensure that the pass rate of all projects reaches 100%.

During the year, the overall delivery of new construction projects and maintenance projects proceeded smoothly and orderly, and there was no incident of non-compliance that significantly affected the service liability to the Company.

1.2 Customer Relationship Building

With a steadfast commitment to “focus on customer concern”, CIC has a market-and-customer-oriented management system and continuously improves relevant mechanisms and business processes in the light of its business development and changes in internal and external environments, striving to improve service quality and customer’s satisfaction and build a good long term customer relationship.

Management of Customer Satisfaction

The Company serves customers exclusively in the railway industry. The Company has set up the goal of 95% customer satisfaction and has established a customer satisfaction evaluation system for it, coupled with diversified surveys in that regard:

1. Written survey: A written survey on customer is conducted every semi-annually to solicit customers’ opinions and suggestions, by means of the Customer Satisfaction Survey Form, which is distributed to and then recollected from customers by the Engineering Department based on its list of customers to be surveyed. The Engineering Department collates and classifies opinions and suggestions received from customers, before forwarding related matters to various departments for feedback;
2. Telephone interview: The Company conducts telephone interview once a month, covering customers’ suggestions for and complaints about our service quality, among others;
3. E-mail survey: The Company conducts an e-mail survey every quarter. Customers complete the Customer Satisfaction Survey Form and the Engineering Department collects and classifies such forms.

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By the end of 2024, the Company had 40 major projects under construction (including Shanghai Bureau TMIS (Transportation Management Information System) Expansion (上海局TMIS 網擴容), Chizhou-Huangshan High-speed Railway (池黃鐵路), Hangzhou-Wenzhou High-speed Railway Signal Transmission (杭溫通號傳輸), Hangzhou-Wenzhou High-speed Railway Construction Transmission (杭溫鐵建傳輸), Xuan Ji Transmission (宣績傳輸), Hangzhou-Wenzhou Base Station (杭溫基站), Hangzhou-Wenzhou Data Network (China Railway) (杭溫數據網(中鐵)), Hangzhou-Wenzhou Data Network Signal (杭溫數據網通號), Shanghai-Suzhou-Huzhou High-speed Railway Data Network (滬蘇湖數據網), Shanghai-Suzhou-Huzhou High-speed Railway Wireless Base Station (滬蘇湖無線基站), Hangzhou-Quzhou High-speed Railway Transmission (杭衢傳輸), Chizhou-Huangshan High-speed Railway OTN (池黃OTN), Hangzhou-Quzhou High-speed Railway OTN and Data Network Supplement (杭溫OTN及數據網增補), Xuan Ji OTN (宣績OTN), Cutover and Transmission Access for Guangzhou-Huizhou Intercity Railway (莞惠割接傳輸接入), Cutover for Guangzhou-Zhaoqing Intercity Railway (佛肇割接全產品), Meizhou-Longchuan High-speed Railway Data Network (梅龍數據網), Yixing Connection Line GSM (宜興聯絡線G網), Shanghai-Chongqing-Chengdu High-speed Railway Data Network Project (沿江高鐵數據網項目), Shanghai-Chongqing-Chengdu High-speed Railway GSM Project (沿江高鐵G網項目), Nanchang Hengfeng-Fuzhou Railway Semi-automatic Block System (南昌峰福半自動閉塞), Nanchang-Jingdezhen-Huangshan High-speed Railway Transmission Equipment and Feeder Lines for Jiangxi Section in Work Areas I (昌景黃江西一工區傳輸設備及饋線), Nanchang-Jingdezhen-Huangshan High-speed Railway Transmission for Jiangxi Section in Work Areas I, II, III (昌景黃江西一、二、三工區傳輸), Nanchang-Jingdezhen-Huangshan High-speed Railway GPON for Jiangxi Section in Work Areas I, II, III (昌景黃江西一、二、三工區GPON), Longyan-Longchuan High-speed Railway Transmission Equipment Procurement Project (龍龍傳輸設備採購項目), Longyan-Longchuan High-speed Railway Data Network Equipment Procurement Project (龍龍數據網設備採購項目), Project of Newly Added Video Conference Terminals for the Station Section-level Emergency Command Center of Nanchang Railway Bureau (南昌局站段級應急指揮中心新增視頻會議終端項目), Nanchang Railway Bureau Wide Area Network — OTN (南昌局外服網-OTN), Nanchang Railway Bureau Wide Area Network — Data Network (南昌局外服網-數據網), Hanzhong-Bazhong South High-speed Railway Transmission (漢巴南傳輸), Original Shanxi Section of the Jining-Datong-Yuanping High-speed Railway Project (集大原山西段項目), Datong-Qinhuangdao Railway A-network BSC Reconstruction Project (大秦線A網BSC改造工程), Datong-Qinhuangdao Railway A-network Base Station Transmission Reconstruction (大秦A網基站傳輸改造), JiningTongliao Railway Transmission Equipment Contract Section I (集通傳輸設備合同一分部), Baotou-Yinchuan High-speed Railway (Inner Mongolia Section) Data Network — The Third Company (包頭至銀川高鐵(內蒙段)數據網-三公司), Taiyuan-Zhongwei (Yinchuan) Railway Communication Machinery Project (太中銀通信機械項目), Transformation for Beijing-Guangzhou Railway in the jurisdiction of Zhengzhou Bureau (鄭州局管內京廣線450改造), Xi'an Bureau Group Company Baotou-Xi'an Railway Transmission Equipment Renewal and Reconstruction (西安局集團公司包西線傳輸設備更新改造), Zhengzhou-Xi'an High-speed Railway Data Network Core (鄭西高鐵數據網核心), Reflector Router Renewal Equipment Purchase (反射路由器更新設備購置) and Beijing-Tongliao Railway Transmission (京通傳輸), and conducted 50 customer satisfaction surveys covering 36 projects, accounting for 90% of the total projects, with a customer satisfaction rate of 100%.

The Company continued to standardize the process and action of project delivery and maintenance service, and the delivery quality was further guaranteed. Adhering to the customer-oriented principle, the Company has been recognized by customers by safeguarding customer network and protecting customer network security.

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In the future, the Company will continue to optimize the return visit process, focus on customer satisfaction at all levels, and optimize the analysis of project satisfaction while continuing to achieve “control before, during and after the event, self-inspection and random inspection combined”. The Company continues to provide customers with high-quality services to enhance the core competitiveness of the Company.

Management of customer complaints

Based on the Customer Complaint Management System, the Company has established a variety of complaint mechanisms and methods, such as on-site complaints and 400-hotline.

- On-site complaints take the form of guiding customers to complain level by level: “Project Manager — Regional Supervisor — Complaints Commissioner of the Company”. The form of gradual complaints simplifies the Company’s communication with customers and improves the speed of the Company’s response to customer complaints.
- 400-hotline complaints: We have set up a 400 telephone technical support and complaint channel to ensure that we can promptly understand customers’ demands.

For customer complaints, our handling steps are:

1. Listen to customer’s opinions: Listen fully and patiently to customers comments and suggestions, so that customers can fully express their demands, and carefully record complaints;
2. Analyze causes of complaints: Understand the causes of customers complaints and conduct comprehensive analysis of complaints to determine whether customer complaints are established;
3. Offer a solution: If it is verified that customer complaints are caused by our products, we will offer a feasible and satisfied solution within 3 days based on specific complaints;
4. Track compliant feedback: After resolving complaints, we will provide tracking service to know whether customers are satisfied with the solution. Continuous improvement and solution are required if customers still have dissatisfaction.

During the year, there were no complaints filed by customers directly through 400-hotline, and a number of projects received commendations from customers.

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Management of customer privacy

In order to protect customer privacy, the confidential system developed by the Company for relevant customer information is led by the personnel designed by the Company's technology and quality and safety department. The department arranges special personnel to authorize customer management authority, updates customer related information and is responsible for conducting random checks on customer information usage so as to protect the rights and interests of customers. The Company properly keeps customer information and ensures the relevant information can only be accessed through a single channel. It is strictly forbidden to provide customer network information and data to the outside without the customer's permission, to copy the customer's existing information, and to operate the customer's existing network. Customer communication is based on the project name and does not reveal the customer's information.

1.3 Actively Protecting Intellectual Property Rights

The Company attaches great importance to the protection of intellectual property rights, strictly abides by the relevant laws and regulations such as the Patent Law of the People's Republic of China, the Copyright Law of the People's Republic of China, and the Trademark Law of the People's Republic of China and establishes intellectual property management system. While continuously improving the Company's level of independent innovation, it prevents all acts that infringe or endanger the legal rights and interests of the Company's intellectual property. The Company establishes intellectual property rights management systems based on the position of the enterprise intellectual property and the Company's development. Considering the medium and long-term development strategies of the Company, the management concept, management organization, management mode, management personnel and other aspects as a whole, we can ensure that the system is practicable.

Innovation is an important guarantee for improving the Company's core competitiveness. Therefore, a review over the annual plan for intellectual property management constitutes an important part of the Company's annual management plan, and the Company will upgrade intellectual property management to the level of corporate development strategy and regard it as an important part of the Company's medium and long-term strategy.

The Company adopted a three-level management system of intellectual property rights under the leadership of the general manager of the Company. The general manager of the Company is responsible for formulating its intellectual property strategy that is commensurate with its current conditions and manifests potential in line with its medium and long-term development strategy. The Company has an intellectual property management department, which formulates various intellectual property management regulations, coordinates intellectual property management tasks by dividing the management scope and responsibilities of the position, and guide, supervise and inspect the intellectual property management work of the relevant functional departments of the Company. In addition, this department shall organize and establish intellectual property file management, and take charge of the applications of intellectual property rights and other external work acting on behalf of the Company. Furthermore, each functional department or organization of the Company such as the R&D department, production department, marketing department and component production subsidiaries is mainly responsible for the generation, application, maintenance and management of intellectual property rights within the scope of their own work.

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Intellectual property management positions of the Company coordinate and cooperate with all departments, and intellectual property management is integrated into the Company's R&D, marketing, personnel administration, brand building and other aspects. At the end of each year, the Company formulates the next year's intellectual property management work plan, and breaks down the plan into departments such as R&D, marketing, personnel administration and brand building, and integrates intellectual property management into daily work evaluation.

The Company attaches importance to the protection of independent intellectual property rights, establishes a complete IT management system, adopts professional encryption software to ensure the security of the Company's intranet, achieves effective control and complete protection of R&D materials, products and data, and prevents the confidential information and data of enterprises from the source. The Company requires that software copyrights and related patent certificates be applied to protect intellectual property rights, and a special qualification commissioner is required to keep the relevant patent certificates.

Based on the Company's intellectual property rights status and development status, and in accordance with the Company's medium- and long-term development strategy, an annual intellectual property plan that is in line with the Company's actual situation is developed, with responsibilities assigned to departments and individuals, and regular reviews of intellectual property management work are conducted. Every year, personnel are organized to participate in relevant training and examinations, and examination results are recorded as departmental and individual assessment indicators.

In addition, in order to encourage and promote the smooth development of intellectual property work, the Company occasionally conducts publicity and training of intellectual property protection to employees, and spreads the importance and significance of intellectual property protection to each employee. For those who make outstanding contributions to the formation, protection, and management of intellectual property rights and transformation of scientific and technological achievements, or who make outstanding achievements in effectively preventing infringement and safeguarding the legitimate rights and interests of the Company's intellectual property rights, the Company will grant rewards and remuneration, promotion, better pay grade, title evaluation and other material and spiritual rewards according to the specific regulations of the government and the Company.

As of the end of the reporting period, the Company had 7 invention patents (all have been authorized), 13 utility model patents, and 76 software copyrights, including 2 new invention patents and 10 software copyrights during the year.

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2 INNOVATION

2.1 Continuously Strengthening Product R&D

In terms of product R&D, CIC has been driven by users' demand and oriented by market to encourage innovation. Through the whole-process development and management, CIC meets the requirements of rapid product development, accurate positioning and low costs, thus enabling the commercial applications of its products.

The Company's product management is mainly consisted of four stages of concept design, planning, development and commercial application:

- At the stage of concept design: We conduct a quick assessment of the product opportunity appeal and the overall strategy, and determine the overall product demand range and alternatives;
- At the planning stage: We define products, formulate project and implement plan;
- At the development stage: We complete the design and development of the product, and produce a product which meets the related specifications;
- At the stage of commercial application: We conduct product management from the start of steady production to end of product life.

In order to improve the Company's R&D standards and ensure its leading position in the industry, the Company has adopted a series of measures:

- We regularly organize exchange sessions and study tours for our R&D staff with their counterparts in the industry or in other industries, together with periodic market research and surveys. We also invite industry and technical experts to provide training and guidance at the Company, in addition to in-house R&D training and learning share;
- We investigate the technical capability advantages of new employees during recruitment so as to continuously improve the Company's technical level and ensure the industry advantage of R&D standards;
- We actively participate in communication activities organized by associations or organizations in the transportation industry, security industry and big data industry, etc.. We also actively participate in the early formulation of standards and the opinions and suggestions of the later stages, and improve the Company's popularity in the industry and build product brands;
- We increase investment in scientific research projects, and actively cooperate with scientific research projects of the Academy of Railway Sciences, Road Bureau and other units to maintain a leading position in the industry.

In the future, the Company will focus on making further breakthroughs in IoT, unified communication, computer vision algorithms. Particularly, the Company will combine the existing micro-service architecture and IoT collect adapter in IoT-based data collection and control, which can access swiftly to other IoT devices and applications to satisfy the planning and implementation of relevant new products.

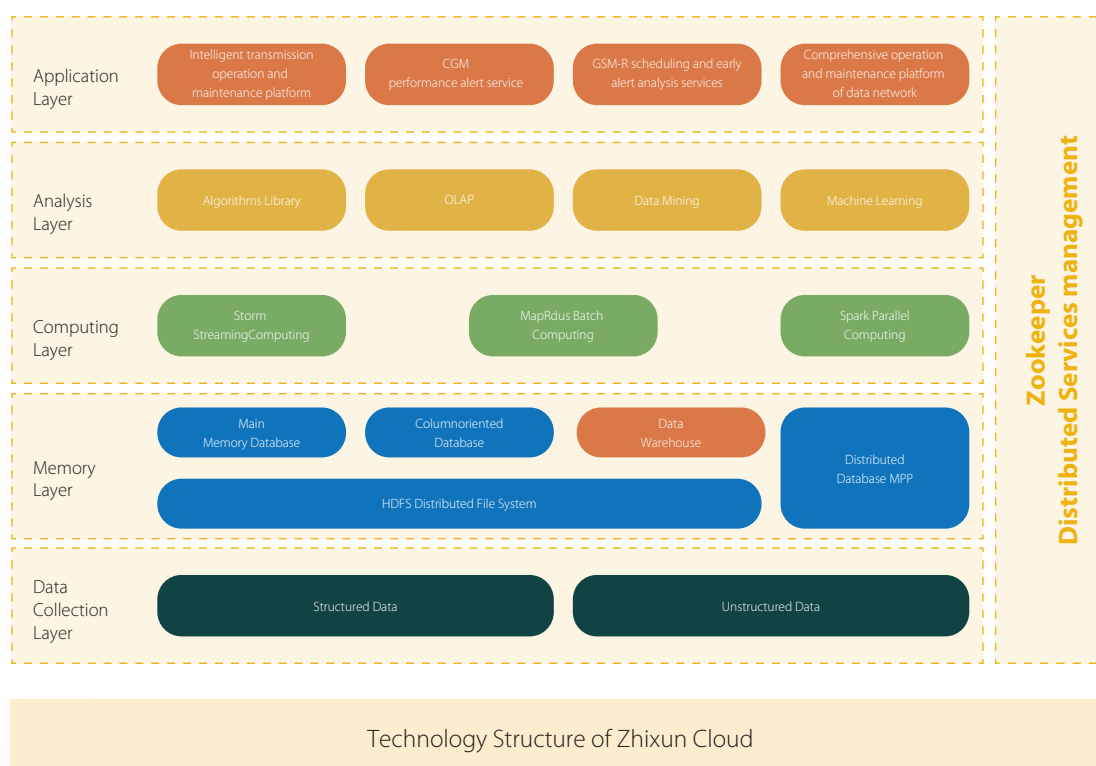
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As of the end of the reporting period, the Company's innovative products in the field of intelligent transportation include:

Zhixun cloud

Beijing Zhixun Cloud Technology Co., Ltd. (北京智訊雲技術有限公司) (hereinafter referred to as "Zhixun Cloud") was established in 2016, and has its own software R&D team. With more than ten years of railway communication operation and maintenance experiences in the Group's service department, Zhixun Cloud utilizes big data, cloud platform and other technologies to commit itself to the research and development of railway communication system operation and maintenance platform, as well as to reduce the maintenance cost of railway communication equipment, which leads to more convenient and efficient operation and maintenance of railway communication equipment. Zhixun Cloud has developed the transmission system and data network functional modules. Through intelligent analysis of big data, it can detect network potential hazards in advance and take preventive measures, thereby improving network security and operation and maintenance efficiency, and reducing maintenance costs.

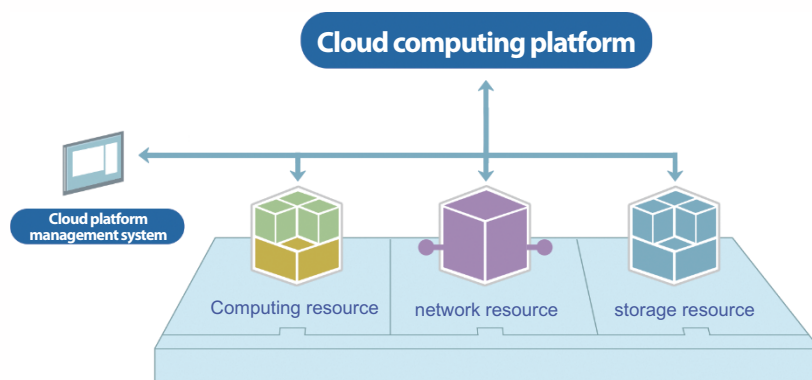
Zhixun Cloud, an operation and maintenance platform, utilizes the cloud computing structure of big data plus microservices with dedicated storage and analysis servers. By collecting the data on communication networks management northbound interfaces and network equipment management protocols, it can store massive performance and configuration data in data-masking manner. It uses the algorithms and warning rules summarized in network operation and maintenance to calculate and analyze, and thus achieving intelligent operation and maintenance for various functional networks (transmission and data networks), which will ultimately be presented to and applied by customers.



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Big data addresses challenges such as massive data scale, rapid data flow, diverse data types, and low value density data characteristics, enabling applications to more effectively meet customers' needs in data storage, data processing, and data analysis and search.

The cloud computing platform provides support for large-scale device management, resource virtualization and sharing services, highly reliable data assurance, universal application architectures, and high scalability, accelerating the migration of informatized and intelligent applications to the cloud.



Cloud computing platform

The Company developed functional modules for transmission systems, GSM-R trains, GSM-R networks and data networks. By conducting intelligent inspection and analysis of big data on key parameters or configurations of communication networks such as GSM-R, the Company can discover the hidden network hazards in advance and prevent them, meanwhile, locate the real-time location of trains, eliminate business hazards that affect traffic and other services, ensure the normal operation of trains and passenger travel safety, improve network security and operation and maintenance efficiency, and reduce maintenance costs.

- The transmission network module monitors the performance of each board of the equipment in real time, and early warning notification is delivered to address abnormal values or fluctuations without triggering any abnormal alarms. When possible board failures are predetermined, the backup board mobilizes resources in advance to minimize the repair time.
- The GSM-R module extracts various parameters of the GSM-R network to monitor the train position in real time, and automatically analyzes abnormal conditions of network coverage, switch, interference, etc. Early warning is delivered to assist users discover network hazards in advance.
- The data network module connects with the router device using the SNMP protocol, and automatically extracts data information such as configuration and performance, realizing maintenance and practical functions such as equipment resource management, IP address analysis, traffic analysis, and compliance inspection. Early warning will be delivered in case of abnormal conditions, enabling users to discover network hazards in advance.

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In 2024, Zhixun Cloud has successfully completed the resource management project for Shanghai Bureau, and expanded and optimized the functions of the existing software modules based on Shanghai customer requirements for functional optimization and enhancement, to make its functions more in line with actual operation and maintenance, so that the efficiency of customer network maintenance can be greatly improved and the labor cost of railway communication network operation and maintenance can be reduced by the adoption of such the intelligent operation and maintenance software platform. Building on the success of the Shanghai project, the software with new functions and new versions has been deployed and promoted in Taiyuan Bureau, Nanchang Bureau, Qingzang Company, Zhengzhou Bureau, Wuhan Bureau, Shenyang Bureau and so on.

➤ Transmission modules

- 1) Version updating: Following in an in-depth study of the CORBA interface and protocol, the underlying database tables can be optimized, enabling faster and more stable device configuration data, performance data, and alarm data transmitted by the network management, while the functions and user experiences are improved, which provides necessary guarantee for large-scale access to customer lines in the future.
- 2) Development of practical functions: Functions as business list management, ledges were put into use in software in the Shanghai Bureau and received their recognition and corresponding feedbacks, which is conducive to creating a positive cycle for the software and its iteration.



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➤ Data network module

- 1) Optimization of some functional modules: The bottom layer of the architecture and the integration of existing functions were optimized, which had been deployed and tested in Nanchang.
- 2) Development of new VPN business traffic analysis: The deployment in Nanchang and Xi'an bureaus completed and went into operation. With reference to the technical standards for traffic analysis and maintenance regulations of the Beijing Communication Center (北京通信中心) and relevant customer operation and maintenance opinions, the development of data network VPN business traffic analysis has been completed, providing favorable conditions for participating in the bidding of various road bureaus' infrastructure projects involving data network access traffic analysis systems.

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In addition, Zhixun Cloud strictly manages data protection: Only query and read can be done on devices and in network management, involving no instruction operations such as configuration delivery, thus having no impact on the normal operation of the devices and network management. We perform data masking on (encrypted) the data collected from the devices and network management before storing them into the database to ensure they will malfunction in case of unexpected leakage.

In the future, the Company will continue to develop the existing modular functions for transmission and data networks in depth to provide customers with more efficient and convenient operation and maintenance services. In terms of breadth, we will continue to expand into new areas, such as digital adjustment systems, dynamic ring systems, video surveillance, PMIS, travel services and other fields that cater to the customer's business side, and provide customers with more comprehensive services to ensure the security of railway communication networks by mining and analyzing commensurate data that is collected on an ongoing and massive basis.

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2.2 Leading Industry, Promoting Development

With the corporate vision of “focusing on the research and development of intelligent operation and maintenance management and data analysis systems for railway communication networks to support the railway operation and maintenance services”, China ITS thoroughly analyzes the existing network maintenance status and bottlenecks of customers, conducts extensive customer network maintenance demand surveys by leveraging the network construction and maintenance experience of the Group’s service departments, to understand the pain points of customer network maintenance and address their urgent needs. Based on customer network maintenance requirements, Zhixun Cloud has developed many functional applications such as transmission networks, GSM-R trains, GSM-R networks and other modules, which have been deployed on demand in several networks of road bureaus, improving network security and maintenance efficiency. The functional applications have received positive feedback, and the Company has collaborated with a number of road bureau customers on project development.

In the future, the Company will plan to continue optimizing the existing module functions and continuously expend new fields. By continuously and extensively collecting corresponding data and conducting data mining and analysis, the Company will provide customers with more comprehensive services and ensure the safety of railway communication networks. At the same time, the Company will open the data platform access and share data, which can be used by customers in related professions and fields, to continuously create value for the platform and customers.

The Company will continue to improve its own strength. Meanwhile, the Company will continue to promote the development of the intelligent transportation industry in China and gradually establish its leading position in the industry by virtue of its achievements and reputation in the intelligent transportation industry.

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3 PEOPLE

Talent is the core competitiveness for the sustainable development of the enterprise. Based on this, the Company will further advance the implementation of the “people-oriented” talent management concept, improve the employment and compensation system, respect and protect the rights and interests of employees, provide employees with learning opportunities, provide fair and reasonable career development channels, pay attention to the physical and mental health of employees, affirm the value of employees, and strive to create a relaxed, harmonious and free working atmosphere. The Company works with its employees to strive and grow together and makes unremitting efforts to attract talents in various fields and establish long-term and stable employment relationships.

3.1 Employment and Rights

The Company strives to guarantee the rights and obligations of employees and continues to improve human resources management systems and procedures.

The Company has compiled and improved the Employee Handbook in strict accordance with relevant laws and regulations, including the Labour Law of the People’s Republic of China and the Labour Contract Law of the People’s Republic of China. The Employee Handbook contains the employee’s code of conduct, hiring and dismissal, compensations and benefits, training and performance management, and employee communication and grievance so that human resources management can be conducted on evidence. Employees are tracked and coached by professionals at every link and node from entry to resignation so that they can quickly adapt to the Company’s culture and grow with support. The Company sets up face-to-face resignation interviews for resigned employees to understand the reasons for their resignation, and listen to employees’ opinions and suggestions on the Company so as to achieve continuous improvement and optimization.

Employment standards: The Company upholds the concept of long-term employment and abides by relevant labour and human rights regulations, signing labour contracts timely with employees. We insist on equal pay for equal work and equality between men and women, and prohibit the use of child labour and forced labour. And we ensure equal employment opportunities and labour security for employees of different nationalities, races, genders, religious beliefs, and cultural backgrounds.

Our Myanmar Power Plant in Yangon, Myanmar, abides by local laws and regulations, such as the Workers’ Compensation Law, the Wage Payment Law, the Vacation Law (1951, revised in 2014), the Labor Organization Law, the Social Security Law, the Minimum Wage Law, and the Labor Dispute Resolution Law to effectively protect labor rights and interests. During the operation, there has been no incident of discrimination against local workers in the Myanmar Power Plant.

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As of December 31, 2024, the Company had a total of 351 employees, with 350 full-time employees and one part-time employee. Employee-related indicators of the Company for 2024 are shown as follows:

Employee type	Number of employees as at the end of 2024 (persons)	Number of employees as at the end of 2023 (persons)
Male employees	278	221
Female employees	73	62
Beijing-based employees	135	127
Non-Beijing-based employees	216	156
Employees at or under 30 years of age	32	48
Employees at 31-35 years of age	45	51
Employees at 36-40 years of age	126	77
Employees over 40 years of age	148	107
Employees with postgraduate diplomas	31	27
Employees with undergraduate diplomas	194	143
Employees with junior college degrees or below	126	113
Grassroots employees	293	240
Mid-level managers	40	30
Senior managers	18	13

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Employee type	Employee turnover rate in 2024	Employee turnover rate in 2023
Male employees	10.43%	14.03%
Female employees	8.22%	8.06%
Beijing-based employees	2.96%	5.51%
Non-Beijing-based employees	14.35%	18.59%
Employees at or under 30 years of age	43.75%	22.92%
Employees at 31-35 years of age	17.78%	7.84%
Employees at 36-40 years of age	5.56%	15.58%
Employees over 40 years of age	4.76%	8.41%

Remuneration and benefits system

The Company strictly abides by relevant laws and regulations, such as the Labour Contract Law of the People's Republic of China and the Labour Law of the People's Republic of China, and follows the principles of external competition and internal fairness to provide employees with competitive compensation and benefits. Meanwhile, the Company adjusts employees' salaries timely according to their performance and skills in light of the general compensation level in the industry.

The Company actively provides all-round benefits to employees, pays all statutory social security contributions for employees in full and on time, and provides employees with commercial insurance to provide additional protection. The Company implements the paid annual leave system. On the basis of protecting employees' statutory holiday leave in accordance with the law, we provide welfare holidays, including one day of full-pay sick leave in each quarter, extra Spring Festival holiday, etc.. In addition, the Company actively provides employees with all-round benefits such as holiday gifts, birthday gifts, lunch subsidies, transportation subsidies, remote mountainous areas subsidies, marriage and childcare gifts, and funeral benefits.

The Company is committed to providing employees with more attractive compensation and benefits, guiding employees to pursue a happy life, and enhancing employees' sense of belonging and happiness while continuously improving the cohesion within the Company.

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Channels of communication

The Company has especially set up public platforms such as OA system, the corporate WeChat and WeChat public account to facilitate timely communication with employees and various departments to understand related demands. The public platform provides an effective channel for communication between employees and the Company. All rules and regulations of the Company are formulated through democratic procedures prescribed by law and implemented after being publicized to employees through the public platform. Employees can also appeal and receive feedback through the platform.

In addition, the management of the Company convenes special meetings from time to time to communicate on various matters, so as to ensure the effectiveness of internal communication, which can promote the exchange of information, enhancement understanding and coordination of actions among various functional departments and levels within the Company.

In 2024, the Company had no labour disputes caused by violations of laws and regulations, child labour or forced labour, or any social insurance violations or defaults.

3.2 Training and Development

The Company adheres to the “people-oriented” philosophy and believes that employees with sufficient skills and experience are the Company’s most valuable wealth. Under the guidance of an open, unified, innovative, and shared corporate culture, we continuously improve and deepen talent training, and take learning as the important part of core competitiveness and corporate culture of the Company. The Company continues to integrate internal and external training resources, guided by the professional development needs of employees, gradually builds a three-dimensional and multi-level training system covering all employees, and comprehensively improves employees’ professional capabilities to ensure the sustainable and healthy development of the Company.

In 2024, the Company used various online and offline resources to continuously improve and optimize the curriculum system at all lines and levels. The Company enhanced the mentor system by equipping new employees with mentors for one-to-one training, which ensured their smooth transition to join the Company, the benign inheritance of the Company’s knowledge and the in-depth training of talents. In addition, in order to facilitate the digital business transformation, the Company has carried out a series of digital business-related courses, covering the core knowledge system and hands-on experience sharing.

In 2024, the total training hours of our employees were 13,851 hours, including 51.3 average hours for our employees, 55.6 average hours for male employees, 33.7 average hours for female employees, 53.6 average hours for grassroots employees, 44 average hours for middle-level employees, and 27.5 average hours for senior management. The total training coverage rate was 76.92%, of which training coverage rate of male employees were 78.06%, training coverage rate of female employees were 72.60%; training coverage rate of grassroots employees were 77.13% , training coverage rate of middle-level employees were 80% and training coverage rate of senior management were 66.67%.

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Our Myanmar Power Plant in Yangon, Myanmar, carried out multi-level training for staff at different levels to help staff improve their performance, realize scientific and environmentally friendly operation of power plants, further ensure high power generation efficiency and low failure rate, and meet the growing demand for electricity in Myanmar.

The employee training program at the Myanmar Power Plant can be mainly divided into the following categories:

- 1) Technical training for all the employees: A total of 200 hours for training was conducted including lectures and practices. Training examinations were linked to salary bonuses.
- 2) Safety training: Practical fire safety training is conducted once a month to link the use of equipment to fire safety and to keep fire equipment always available.
- 3) Corporate management: System training

In the pursuit of excellence, Myanmar Power Plant always puts the growth and safety of its employees first. The scope of training at Myanmar Power Plant covers all staff, and senior engineers and commanders are responsible for lesson preparation and lecture giving. The specific forms of training are diversified, including topic seminars for junior staff to improve their technical level, repair and maintenance level, and operation level; interactive discussion-style teaching, through which staff can analyze and discuss according to the actual situation, and troubleshoot specific problems. We not only deliver operation and maintenance expertise, but also explore in-depth knowledge of safety regulations and disaster prevention to ensure that every employee is able to maximize their potential in their respective roles and work together to maintain the safe and stable operation of the plant.

3.2.1 Internal Training

The Company's internal training projects include offline middle-level training camp "Tiancheng College" and special online training for skill enhancement on each business line "Weekly Class":

Tiancheng College: It is a brick-and-mortar organization for the cadre management of Tiancheng Group. Tiancheng College advocates the learning culture of "reading after practicing". The College adopts the motto of "greatness in simplicity, realization at Tiancheng; knowledge as action, live and learn". It strengthens strategic recognition and cultural identity, and trains, selects and generates cadres. It teaches the methodologies required for the Company's management personnel to work with, so as to realize the strategic goal of developing talents. The management team of the Company attaches great importance to and participate in such trainings in succession in order to be better equipped for future work.

Weekly Class: Weekly class is a training program designed for all employees of the Company. Through weekly learning, employees gradually develop learning habits and improve their learning abilities. In 2024, the training and learning focused on basic career skills and service capability improvement of each system.

Digital Business Training: Digital business training is for marketers, solution providers and delivery personnel. According to the Company's demand for digital business transformation, the Company organizes digital business knowledge training and sharing courses related to digital business landing cases to help everyone understand the professional knowledge and operation ideas of digital business.

College consigned training: The Company will reimburse tuition fees for important talent to pursue higher education at universities, and utilize external resources to cultivate important talents for the Company.

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3.2.2 Promotion of Employees

The Company values the career development of each employee, encourages employees to formulate their personal career development plans under the guidance and help of the Company, and provides employees with multi-channel development space, including professional channels, technical channels and management channels, to stimulate personal advantages and guide them to exert the most value in the areas where they excel.

The Company constantly improves and optimizes the assessment and incentive mechanism, adheres to the principle of “striver-oriented”, takes the contribution and value created by the employees as an important basis for examining the personal work effectiveness, promotion and appointment, and tests the working level of the employees through the work results. The Company grants honor to the employees at different positions and levels who are constantly striving and making contributions. Meanwhile, it also opens up the promotion channel and provides material incentives, to formulate a positive incentive and establish a system of rewarding the diligent and punishing the slothful, rewarding the good and punishing the bad, an incentive culture of unifying enterprise service and realizing personal value is shaped thereon.

The Company has established an inventory system for qualifications. According to the post qualification model, the Company makes an inventory of the existing staff every year, evaluates the staff's ability through evaluation, examination, defense and other links, combines with the annual performance assessment, and finally evaluates whether the employee meets the post requirements. In addition, the Company provides employees with promotion opportunities based on the assessment results and job requirements.

3.3 Health and Safety

In order to enhance employees' health and safety and ensure the Company's smooth operation, the Company attaches great importance to the employee welfare and pays close attention to each employee's safety and health. On the basis of strictly abiding by the relevant laws and regulations such as the Law of the People's Republic of China on Work Safety, the Law of the People's Republic of China on Fire Prevention and the Law of the People's Republic of China on Occupational Disease Prevention and Control, the Company took a series of measures to fully protect the health and safety of employees.

Physical examinations: The Company organizes physical examinations for its employees every year and designs targeted physical examination projects by gender and age. After the annual physical examination, the Company communicates with the employees for their experience and suggestions on physical examination, and adjusts projects in time according to their needs.

Buying insurance: The Company proactively purchases personal accident insurance for its employees, and at the same time insures employees for supplementary medical insurance as a supplement to social insurance. For the employees who suffer accident, the Company gives active support and rescue.

Health promotion: The Company regularly organizes health consultation, publicizes first aid knowledge, and helps employees improve their own health awareness and investigate potential health hazards.

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Daily Measures: During working hours, to protect the health of employees, the Property Department insists on regular disinfection within the building, including public areas such as elevators, hallways, and restrooms. The fresh air system is fully activated during office hours to reduce the impact of poor weather, such as haze, on indoor air quality. In case of inclement weather, the Property Department will promptly lay non-slip mats and clear any accumulated water or snow to ensure the safety of employee passage.

Occupational health

The Company is committed to building a safety culture, creating a healthy and safe working environment for employees, and preventing the safety risks to employees' occupational health, such as improving office facilities in the office, purchasing office supplies from regular manufacturers, and ensuring product quality and environmental protection.

The Company has taken the following measures to promote employees' occupational health:

- **Family-friendly measures:** Give flexible working hours to pregnant and lactating employees, provide employees with maternity and paternity leave higher than required by law.
- **Safety and health training and advocacy:** All employee induction training content covers occupational safety and health; headquarters and its subsidiaries hold safety production activities and training from time to time; the theme of employee activities is centered on sports and healthy life.
- **Safety risk assessment in the workplace:** Check the safety measures of the office building and the project sites on a regular basis, especially assess the safety risk of the water and electricity facilities, and carry out inspections to prevent fire, theft and others.
- **Workplace disinfection and ventilation:** The Property Department insists on regular disinfection in the building, including elevators, corridors, toilets and other public areas, and fully opens the fresh air system during office hours to reduce the impact of haze and other adverse weather on the air quality in the building.
- **Handling of potential safety hazards:** The Property department will post warm tips at locations with potential safety hazards, and increase anti-collision corners and other protective measures to avoid unnecessary bumps and other dangerous situations.

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By reference to the power plant operation rules in China, as well as in accordance with the Environmental Protection Law of the People's Republic of China, Labour Contract Law of the People's Republic of China, Labor Law of the People's Republic of China, Production Safety Law of the People's Republic of China, Emergency Response Law of the People's Republic of China, and other legal documents, our Myanmar Power Plant in Yangon, Myanmar strictly abides by and fully implements all production safety documents formulated by China Electricity Council, including the requirements for welding work and working at height. Myanmar Power Plant has formulated occupational health and safety systems, including occupational safety and health management, distribution, use and management of personal protection products, and occupational hazard notices and warning. The Company strictly implements the occupational health and safety system, and is committed to safeguarding the occupational health of our employees and production safety. Our Myanmar Power Plant has taken the following occupational health and safety measures:

- 1) safety training and fire safety examinations for all employees;
- 2) maintaining insurances with insurers for all employees;
- 3) maintaining communication with public security, fire, environmental protection and municipal departments in Yangon;
- 4) engaging in friendly exchanges and establishing good relationship with the local communities in Myanmar.

Strict implementation is the key to occupational health and safety system. Our Myanmar Power Plant has established a reward and punishment system for occupational health and safety, with clear rewards and punishments. No major safety accidents occurred in the Myanmar Power Plant in 2024.

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The safety management of workers in on-site engineering

- **Establish a safety management organization and allocate full-time safety management personnel:**

Our project department has established a project safety leadership group with project managers as the chief safety officer, on-site safety officers, project technical leaders and project team leaders as its members, responsible for from start to completion of the whole process of safe production.

 - The allocation of full-time safety management personnel must comply with the provisions of the Measures for the Establishment of Safety Production Management Institutions and the Distribution of Full-time Safety Production Management Staff in Construction Enterprises and have three requirements: First is that they must have certain professional knowledge and safety management skills to be able to discover hidden safety hazards, know how to deal with hidden dangers, and at the same time be able to organize relevant personnel to carry out related safety production activities; the second is to have a rigorous work style, namely, “diligent and meticulous”, a strong sense of responsibility; the third is to have a service mentality and modesty.
- **Establish, improve and strictly implement the safety production responsibility system and various management systems:** The safety production responsibility system is an important organizational measure to do a good job of safety, and is the core and central link of safety production management.
 - Make clear stipulations on the responsibilities, rights and benefits of the responsible persons at all levels, functional departments and various types of construction personnel in the process of construction;
 - The Safety Production Responsibility Letter is stipulated in accordance with the job responsibility system of management personnel and implemented and signed level by level, so as to meet the requirement of “Supervisor is responsible; Person who is on duty is responsible”, and investigate related responsibilities as required.
- **Define safety production goals and formulate safe construction organization design:** According to the project situation, our project department formulates practicable safety production goals, and clarifies the standards to be achieved for on-site safety management, such as safety investment, civilized construction goals, so that safety management has a clear direction. Meanwhile, the person in charge of the project technology must compile relevant and targeted safe construction organization designs and plans to play a guiding role in on-site safe construction.

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- **Strengthen education and training, and do a good job in safety technology disclosure and team safety activities:** “Accept training first before on duty”. To ensure safety, training must come first. Adhere to the principle of training before on duty, and the principle of no entry without passing the exam.
 - Pre-job education and training must be combined with the characteristics of the project and safety technology must be disclosed to all in-service employees with a focus and specific cases, so that safety education could play an essential and important role, resolutely put an end to “the fake, the exaggerated, the impractical” and other articles.
- **Carry out safety inspections, flexibly apply normative standards and immediately rectify any hidden dangers:** Relevant personnel carry out a detailed inspection to the field every day. The inspection standards must be “strict” and “accurate”. When any hidden danger is discovered, rectification should be proposed “as required”, and the rectification requirements should be agreed in accordance with the relevant norms and standards and the actual situation of the field.

To safeguard production safety, our Myanmar Power Plant in Yangon, Myanmar, has also formulated stringent policies for factory operation and management for the purposes of risk prevention and control related to public affairs, including:

- Emergency Plan for Natural Gas Leakage Accidents
- Treatment Plan for Explosion and Leakage of Pressure-Bearing Parts of Boilers and Pressure Vessels and Pressure Pipelines
- On-site Treatment Plan for Fire Accidents in Hazardous Chemicals
- Warehouses Cable Fire Incident Action Plan
- Disposal Plan for Fire Accidents in Centralized Control Rooms
- On-site Treatment Plan for Hazardous Chemical Leakage Accidents
- On-site Disposal Plan for Waste Oil and Sewage Incident
- Sealed Space Operation Safety Management Standards
- Natural Gas Safety Management Standards
- Fire Safety Management Standards
- Management Standards for Major Accident Prevention Measures
- Major Hazard Safety Management Standards
- Work Safety Standards to Prevent Personal Injury and Death

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In 2024, the Company did not violate any relevant laws and regulations that have a significant impact on the Company. The number and rate of work-related deaths in the Company from 2022 to 2024 are shown in the table below.

	2024	2023	2022
The number of work-related death (Persons)	0	0	0
Work-related death rate	0	0	0
Work-related injuries (days)	0	0	0

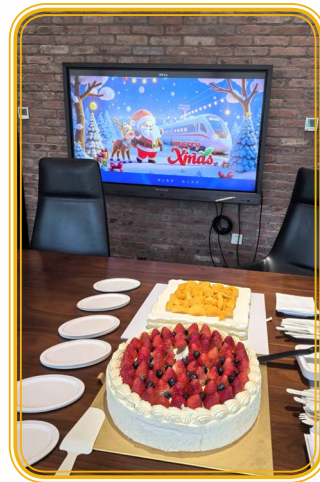
In the future, the Company will continue to implement the quality plan management policy, including management enhancement, quality assurance, dedicated service, and customer satisfaction. With the goal of customer satisfaction, we will enhance management, cultivate the quality awareness of engineering and service personnel, and improve the quality of engineering delivery and service products, all of which are aimed at building a first-class engineering and service team.

3.4 Care and Cohesion

In order to enhance employees' sense of belonging, the Company organizes a variety of activities relating to employee care, providing employees with a platform to show their talents and to communicate with each other. Such initiatives not only satisfy employees' psychological needs but also enhance their happiness.

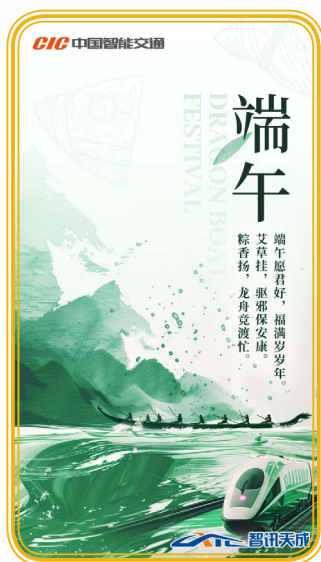
- **Employee birthday party:** The Company organizes birthday parties for its employees on a regular basis and mobilizes the work enthusiasm of the employees as well as creates an atmosphere of unity, mutual assistance and fraternity.
- **Sweet pantry and employee dormitory:** The Company has considerably established a pantry and coffee house where are equipped with direct drinking water equipment and also provided employee dormitories for colleagues who work overtime. Employees can take a break from work, which improves the comfort and happiness level of employees.
- **Holiday activities:** The Company prepares special holiday surprises for employees during the holiday season to increase the sense of collective pleasure.

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The Company respects traditional culture and cares for its employees. During the traditional Chinese festivals such as Dragon Boat Festival and Mid-Autumn Festival, the Company issues holiday benefits and condolences gifts to employees, and sends its care and holiday wishes to them.



Employee care plan: Make a year-round family care plan and implement care in accordance with the plan (mainly for frontline employees and employees who travel frequently); increase team building activities before the holidays (such as New Year's Day, Spring Festival, Lantern Festival, Women's Day and Dragon Boat Festival). Motivate employees to participate in team building activities, create an atmosphere of corporate culture and enhance employees' sense of belonging; establish standards for employees' family members' care money (marriage and maternity gifts, immediate family members' death condolence money) based on the position.

Children are the root of happiness in every family and the foundation of stability behind the enterprise. The Company presents gifts to employees' children on Children's Day under the principles of exquisiteness, generosity and meeting the needs of children, and shares the joy with employees' children. The above reflects the Company's humanistic feelings and the service consciousness of caring for employees' children with practical actions, and builds harmonious and active corporate atmosphere.

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4 INTEGRITY

4.1 Eliminating Corruption in Accordance with Law and Regulations

Combating corruption and upholding integrity work is a significant component of enterprise management and also a critical link to self-restraint mechanism. Strengthening the combating corruption and upholding integrity work of enterprises is an internal requirement for boosting the reform and development of enterprises, but also forms a necessary option to regulate enterprise operation management activities.

In 2024, CIC made earnest efforts in anti-corruption and integrity-building, strictly abiding by the Criminal Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China and other laws and regulations. In order to prevent corruption, bribery, extortion, fraud, money laundering and other illegalities, the Company has constantly improved its internal anti-corruption supervision mechanism, and strengthened integrity publicity and education on employees, so as to enhance the vigilance of employees against corruption. As a result, a good atmosphere of discipline and law compliance, integrity and self-discipline, and honesty and trustworthiness is formed.

The Company mainly improves the combating corruption and upholding integrity work mechanism among the following aspects, so as to improve its actual efficiency:

- In terms of the internal anti-corruption supervision mechanism, the Company implements the relevant requirements of the regulatory agencies on anti-corruption, effectively exerts the effective role of internal linkage meetings, makes full use of internal supervision resources such as audit, law, financial accounting and risk, and continuously improves internal anti-corruption supervision mechanism from senior management to key positions to clarify and implement the anti-corruption responsibilities of personnel in various departments. Procurement and related procurement employees are responsible for their own integrity and self-discipline. The Company supervises the integrity and self-discipline of all employees involved in the procurement. Regarding the integrity risks and blind spots of supervision and restriction that may exist in the internal control management, the Company has established a scientific investigation plan, carried out the investigation by relying on the information network platform of the Company, and formulated corresponding anti-corruption measures according to the investigation results.
- In terms of strengthening integrity education among employees, the Company is committed to increasing employees' awareness of professional ethics and anti-corruption, further increases efforts to education on integrity and conducts relevant training to enhance employees' awareness of risk prevention of corruption, so as to create an atmosphere of integrity. The Company increases training on combating corruption and upholding integrity in the departments involved in purchasing so as to improve their anti-corruption awareness. The Company requires its employees to carefully study the relevant anti-corruption regulations in the Employee Handbook: Employees must not use their positions for personal fraud and bribery, and severe punishment will be imposed on those who commit serious misconduct.

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- In view of possible corruption in its economic business processes, the Company has adopted supervision and control procedures at critical points, with continuous improvement of the approval process regarding the reimbursement of marketing expenses. In addition, we have properly concentrated or decentralized power to form an effective system of checks and balances so as to avoid any corrupt practice.
- The Company has set up a special complaint department to accept corruption reports from within the Company. The acceptance and investigation process of the reports are strictly confidential, avoiding disclosing the personal information of the reporters and complying with its own professional norms and ethics.

The Company requests the incorporation of anti-corruption clauses in contracts with its core suppliers and customers, among others:

- The supplier should warrant that it will reject any request for bribes by employees of the purchaser and will file a signed complaint to competent departments of the purchaser. The supplier shall be deemed to offer bribes to the purchaser if it entertains any request for bribes by employees of the purchaser instead of rejecting or reporting the same;
- The supplier should warrant that it will not engage in any economic relations with employees or relatives of the purchaser and shall declare any affiliation if have. In the event of any de facto affiliation, the supplier should warrant that it will no longer engage in any business with the purchaser;
- The supplier should also guarantee adherence to the principle of good faith during the contractual performance, ensuring the truthfulness and accuracy of the documents, information and data it provided for the purchaser. The supplier should warrant that it will not collude with employees of the purchaser to falsify business results. The supplier shall guarantee that abide by the commitments made to the purchaser, the contracts, agreements and memoranda signed by the two parties, and do not conceal any information that may affect the interests of the purchaser.

Meanwhile, the Company strictly deals with the procurement employees and suppliers who violate relevant regulations, commitments or terms. For procurement employees who have violations, the Company has the right to unilaterally terminate the labor contract and without liability, and reserves the right to hold the parties responsible; for suppliers who have violations, the Company will first put them on the supplier blacklist, disqualify the supplier and have no responsibility for terminating the business contract. At the same time, the Company will hold the suppliers legally responsible and claim compensation for losses in accordance with the terms of the commitment guarantee.

In terms of the procurement process, the Company has also set up a mechanism of checks and balances between the front-end and back-end of various departments such as market, product, procurement, and delivery, in order to prevent corruption and bribery and establish a process of mutual supervision and constraint. In addition, the Company has implemented an internal audit system, under which dedicated staff are assigned to review internal compliance of the Company.

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The Myanmar Power Plant strictly abides by the local laws and regulations in Myanmar and has a stringent audit system and financial system in place to ensure financial transparency. The phone numbers and emails of the Company's financial directors and general managers are made available to public to facilitate supervision and reporting. Any employee involved in corruptions in violation of relevant laws and regulations will be reported to the public security authorities; and others will be dismissed after criticism and education.

In 2024, the Company did not find any significant risks relating to corruption and was not subject to any confirmed corruption cases involving the Company or any corruption litigation against the Company or any of its employees. In the future, the Company will continue to place emphasis on anti-corruption and integrity, strengthen supervision of anti-corruption department, expand the scope of external supervision, establish a sound internal audit system, and provide a guarantee for the healthy development of the Company.

4.2 Conducting Compliant Procurement to Ensure Quality

Sincere cooperation with suppliers is an important guarantee for CIC to realize the Company's strategy, and it is also an inexhaustible driving force for the Company's development. The Company values communication with suppliers, actively builds cooperation platforms, and strives to establish close and cooperative relationships with suppliers for long-term and mutually benefits, and work together to provide customers with quality products and services to promote the sustainable and stable development of the industry.

In order to meet the requirements of the Company's development, regulate the behavior of the Company and related cooperation units, guide the cooperation units to improve service awareness, in accordance with the relevant laws and regulations of the Contract Law of People's Republic of China and relevant regulations relating to the Company, under the principles of complementary advantages, equality and voluntary, CIC has formulated the Supplier Management Measures. In addition to the main supplier, Huawei Technologies Co., Ltd., the Company's suppliers also include cable suppliers, cabinet suppliers, computer suppliers, etc.

The Company is a strategic partner of Huawei in railway industry. Main products sold by the Company are communication and information equipment of Huawei. For the introduction of suppliers who purchase non-Huawei's ancillary products, the Company mainly examines their qualifications (including registered capital, whether they have obtained relevant certificates required by the industry, product test reports, etc.), business scale, financial condition, and industry reputation and other aspects. For the purchase of large-scale equipment, the Company's procurement department, product department and service department conduct on-site assessment of the supplier's factory in respect of environmental, safety and quality.

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The Company will conduct bidding for general products in the supplier database at the beginning of each year, and the evaluation criteria will be based on a comprehensive assessment of supplier's product quality, price and cooperation status in the previous year; for the single bidding of non-general products, new suppliers are screened according to the criteria of new supplier introduction process and are assessed in terms of environmental protection according to the needs of users. The suppliers shall have the certification certificate of environmental license.

Based on the cooperation with suppliers in the current year, the Company will conduct comprehensive evaluation from the aspects of product quality compliance, price, supply cycle, after-sales service cooperation, etc., for annual assessment of suppliers. Such evaluations would be deemed as the criteria for whether the supplier can continue to be a qualified supplier of the Company and the purchase quantity in the next year.

The Company conducts an assessment of its suppliers on a semi-annual basis, which are carried out by employees from various departments, including marketing staff (representing some of the clients' opinions), technical staff (from the perspective of technical practicality), project delivery staff (from the perspective of service quality) and business staff (from the perspective of market pricing). In addition to routine audit and assessment, the Company has established a supplier elimination mechanism, whereby suppliers with negative customer evaluations, poor quality, or fraudulent qualifications will be subject to a one-vote veto.

In the process of selecting suppliers, our Myanmar Power Plant in Yangon, Myanmar, fully takes the ESG performance of the suppliers into consideration. For example, in order to avoid serious negative impacts on the environment and production caused by transformer oil leakage accidents, in the procurement process, Myanmar Power Plant cooperated with companies with good ESG assessment results when selecting suppliers. For example, in the process of selecting transformer suppliers, we selected a large-scale transformer supplier with good ESG assessment results. In practice, the transformer performed well, which fully avoided negative environmental and social impacts, and ensured the safe and stable operation of the Myanmar Power Plant. When purchasing spare parts of gas turbine equipment, we will choose enterprises with good performance in environmental and social responsibilities, such as GE, ETHOS, etc.

As at the end of 2024, the Company had 132 suppliers. Among which, a total of 69 suppliers were in China, including 1 in Anhui, 26 in Beijing, 2 in Sichuan, 7 in Guangdong, 1 in Hebei, 9 in Henan, 1 in Hubei, 3 in Hunan, 5 in Jiangsu, 1 in Inner Mongolia, 4 in Shaanxi, 6 in Shanghai, 2 in Tianjin, 1 in Zhejiang; and the Myanmar Power Plant had 63 suppliers, including 15 in Northern China, 2 in Northeast China, 34 in Eastern China, 5 in Central China, 6 in Southern China and 1 in Southwest China.

Access of suppliers

The Company adopts the database of qualified suppliers to implement supplier access management. The Company adopts a supplier access qualification certification system, which mainly evaluates suppliers from their qualifications (including registered capital, whether they have obtained relevant certifications required by the industry, product testing reports, etc.), business scale, financial condition and industry reputation and other aspects. For suppliers involved in related environmental and social risks in the production process, the Company requires such suppliers to have "Environmental Management System Certification", "Occupational Health and Safety Management System Compliance Standard Certificate", etc. For the purchase of large-scale equipment, the Company's procurement department and product department will go to the supplier's factory to conduct an on-site assessment in respect of environmental, safety and quality. Only qualified suppliers can enter the supplier database. During the year, all suppliers of the Company adopt the supplier access system.

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Bidding for the project

For general products, the Company will conduct bidding in the supplier database at the beginning of each year, and the evaluation criteria include the supplier's product quality, price and cooperation status in the previous year; for the single bidding of non-general products, the Company determines the qualified bidding of suppliers according to the process screening criteria introduced by new suppliers, and investigates the suppliers in terms of environmental protection according to the needs of users. The suppliers shall have the certification certificate of environmental license.

Performance process management of suppliers

The Company carries out strict inspection and supervision in the process of supplier performance, especially in terms of environmental and social risks. We strictly manage the supplier personnel to ensure that the supplier personnel meet the on-site needs. We pay attention to the project process management of suppliers to ensure that the progress, quality and cost of the project are controllable. At the same time, we strictly supervise the suppliers and require them to make technical and safety disclosure to guarantee the skills and personal safety of the personnel on the project site.

Annual assessment of suppliers

According to the cooperation with suppliers in the current year, the Company will conduct comprehensive evaluation from the aspects of product quality compliance, price, supply cycle, after-sales service cooperation, etc., these evaluations would be deemed as the criteria for whether the supplier can continue to be a qualified supplier of the Company and the purchase quantity in the next year.

The Company conducts an assessment of its suppliers on a semi-annual basis, which are carried out by employees from various department, including marketing staff (representing some of the clients' opinions), technical staff (from the perspective of technical practicality), project delivery staff (from the perspective of service quality) and business staff (from the perspective of market pricing). In addition to routine audit and assessment, the Company has established a supplier elimination mechanism, whereby suppliers with negative customer evaluations, poor quality, or fraudulent qualifications will be subject to a one-vote veto.

Green procurement

The Company shall consider the environmental performance of products when selecting suppliers, to ensure that the products purchased meet the requirements of relevant environmental indicators and give priority to purchasing green products under the same conditions.

For the suppliers management in the future, the Company will continue to strengthen the standardization and timeliness, and tend to choose to cooperate with well-known brand manufacturers on the basis of social responsibility.

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5 BENEVOLENCE

As a responsible social citizen, CIC adheres to the development philosophy of “Benevolence”, actively participates in community public welfare undertakings, assumes corporate social responsibilities and obligations, feeds back the society with responsibilities and public welfare, and establishes a good corporate image, sublimates the corporate culture, and improves employees’ sense of honor. In 2024, the Company invested RMB183,704 for charitable and public welfare purpose.

In September 2024, the Company supported the Guangdong Baiqi Education Foundation to implement the “Baiqi Carnation Health Program” in Butao County, Sichuan Province. The program helped students gain a deeper understanding of the physiological and psychological changes that occur during puberty and reached over 1,400 youths in six educational institutions. Volunteer instructors used a variety of teaching methods, including interactive games and group discussions, to teach students practical knowledge about adolescent physical health, mental health and interpersonal relationships. We contribute to the growth of youth and the development of society by supporting public welfare activities through practical actions.



“Baiqi Carnation Health Program” Charity Project

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In view of the establishment of Ahlone Power Plant and Hlawga Power Plant in Yangon, Myanmar, the Company pays close attention to the interests and needs of local communities in Myanmar, while advancing infrastructure construction and meeting electricity demand. For example, , during traditional Burmese festivals such as Thingyan (Water Festival), ThaDinGyut (Festival of Lights), and KaHtain (Offering of Robes), donations were made to monasteries in Ahlone, fostering strong community relations with the local temples. Furthermore, resources were contributed to support a school in Ahlone town, promoting educational development within the local community.



Providing donations to local monasteries at KaHtain (Offering of Robes)

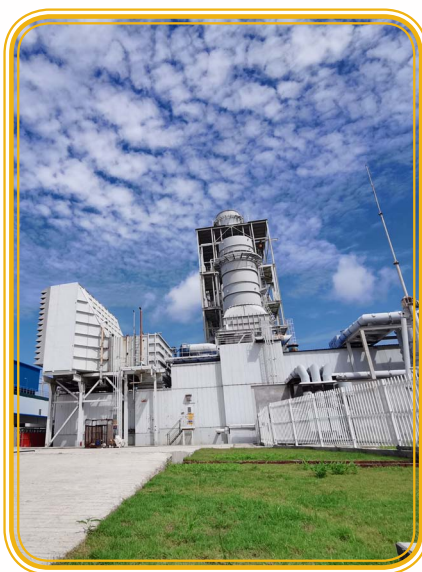
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6 SUSTAINABILITY

CIC always believes that it is duty-bound to promote sustainable development. We comply fully with all applicable environmental laws and regulations, practice green concepts and build a low-carbon society. And we acknowledge the goal of synergistic development of economic and environmental benefits. While developing our business, we thoroughly implement the concept of energy conservation and environmental protection, and we take various measures to achieve clean, efficient, green and smart development.

6.1 Clean Energy and Green Production

In 2020, Myanmar Ahlone Power Plant Company Limited, an overseas subsidiary of China ITS, has successfully obtained a power production license from the Ministry of Electricity and Energy (MOEE) of Myanmar, and has started the construction and upgrading of a combined cycle steam and natural gas power plant with the latest technology in Yangon City, Myanmar. Configured with a gas turbine, a waste heat boiler and a steam turbine, the power plant has a total installed capacity of 183MW, including 120MW from the gas turbine and 63MW from the steam turbine, with a design rated output of 151.54MW. In 2024, Ahlone Power Plant had a total grid-connected power generation capacity of 1.14 billion KWh, surpassing 7,500 hours of total generation; Hlawga Power Plant had a total grid-connected power generation capacity of 520 million KWh, surpassing 6,200 hours of total generation.



Gas turbine



Waste heat boiler

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The Ahlone Power Plant project undertaken by China ITS, which is in line with the Myingyan Independent Power Plant (IPP) program of the Government of the Union of Myanmar, has eased the shortage of power supply caused by the rapid development of the local economy, and guaranteed 24/7 power supply for local households, manufacturing, service industries and other industries.

In 2021, with the consent of the Ministry of Electric Power in Myanmar, the Company formed a joint venture (Myanmar Hlawga GGE Power Plant Company Limited) with a local Myanmar company to jointly develop the rehabilitation project of the 123MW Hlawga Power Plant in Myanmar, which achieved single-cycle power generation in the first half of 2022.

In addition to the daily operation of the power plant, Myanmar Ahlone Power Plant Company Limited, a company of China ITS located in Yangon, Myanmar also attaches importance to the local environment, society and corporate governance. In order to strengthen its credibility, on 10 August 2020, being the beginning of the plant design and construction, Myanmar Ahlone Power Plant Company Limited engaged Myanmar Survey Research Co. Ltd. to conduct a detailed and quantifiable on-site environmental control survey on the plant from 10 August 2020 in accordance with the relevant requirements of the Myanmar Environmental Protection Agency. Myanmar Survey Research Co. Ltd., which is a certified service provider of environmental and social impact assessment reports in Myanmar authorized by the Ministry of Natural Resources and Environmental Protection of Myanmar and operates legally and in compliance with the law, officially submitted its environmental impact assessment report on the company to the Myanmar Environmental Protection Agency on 25 February 2022, after more than one year of assessment.

6.2 Creating Green Office and Eliminating Waste

Use of energy

Energy is an important material foundation for national economic and social development. Energy shortage has become an important factor restricting the sustainable development of the national economy. CIC attaches great importance to issues related to energy use, and actively promotes energy conservation, reduction of energy consumption and emissions reduction. The Company takes the establishment of an energy-saving culture as the lead to enable employees to develop a good habit of saving electricity, water and protecting the environment. The Company's administrative department cooperates with property management and maintenance to ensure better implementation and management of energy-saving work.

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Energy consumed by the Company during its operation mainly involved the use of gasoline for business vehicles and the use of electricity in office areas. Table of use of gasoline and electricity by the Company in 2024 are as follows:

Energy consumption and intensity of China ITS (domestic)

Energy type	2024		2023	
	Energy use	Intensity	Energy use	Intensity
Gasoline (tonne)	38.31		27.35	
Electricity	718,445.00	115.85	689,283.00	142.47
	KWh	KWh/m ²	KWh	KWh/m ²
Integrated energy consumption ¹	1,177,105.16	4,765.61	1,016,726.37	4,869.86
	KWh	KWh/person	KWh	KWh/person

Energy and resource consumption of Myanmar Power Plant (overseas)

Energy type	2024	2023
Diesel (tonne)	28	16
Gasoline (tonne)	8.36	7.96
Natural gas (standard cubic)	499,452,540.00	574,238,000.00
Electricity (KWh)	45,646,000.00	51,001,500.00
Integrated energy consumption ¹ (MWh)	5,451,056.72	6,265,578.93

¹ The calculation of integrated energy consumption: the sum of the Company's gasoline and electricity consumption multiplied by the corresponding emission factors. For the emission factor, please refer to the China Energy Statistical Yearbook.

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In strict compliance with local laws, regulations and rules related to energy use in Myanmar, such as the Myanmar National Electrification Plan (NEP), the Myanmar Energy Master Plan (2015), the Electricity Law (2014) and its rules, and the Petroleum and Petroleum Products Law (2017), the Myanmar power plant formulates an internal operation management system, a reward and punishment system and conducts assessment according to rules to maintain water system and ensure that it can operate within the range of design parameters. The gas fuel of the power plants is fed through the main national gas pipeline of Myanmar. The lubricating oil used by the unit is added into pump valves of the gas turbine and steam turbine at the time of installation, and it does not need to be replaced or will not leak within ten years of operation, which can effectively control environmental risks.

Energy saving and environmental protection

Adhering to the principle of “Energy Conservation, Reduction of Energy Consumption, Protection of the Environment and Harmonious Development”, CIC carries out proactive publicity within the Company, strictly implements austerity and green office, and practices the philosophy of green development to prevent extravagance and waste and reduce unreasonable consumption behavior. As a non-production and non-manufacturing high-technology company, CIC has been committed to practicing the philosophy of energy conservation and consumption reduction, creating a green and environment-friendly business model and striving to be the faithful practitioner of the “resource-saving” society.

The Company is committed to the principle of keeping the same energy consumption in energy use compared with that of last year and string for decrease thereof. Based on such principle and coupled with review on standard of energy use and defect-checking, the Company strives to put forward high standard and strict requirements on aspects including management, use and inspection of hardware within the building as much as possible to strengthen the planning of workflow of internal personnel, and proactively advocates the comprehensive awareness and cooperation of tenant companies in the building in terms of energy-saving and emission reduction to strengthen the management of environmental energy use. For instance, in 2024, the Company adopted the following measures to save energy:

- Save electricity for lighting: offices and other public areas make the best use of natural light during the day to reduce the use of lighting lamps; reduce the number of lamps in places with low lighting requirements, such as public areas, corridors and aisles, and prevent the occurrence of “lamps which burn day and night”;
- Save electricity for air conditioning: control the air-conditioning temperature of the office, conference room and other office areas. The temperature should not be lower than 26°C in summer and not higher than 26°C in winter. The security guards should conduct patrol inspection on whether the window is closed when the air conditioning is turned on. Based on practical research from the Company's property department, which finds that maintaining low-temperature operation at 19°C at night is more power-efficient than shutting down at night and starting in the morning, while employees feel more comfortable working in the morning; At weekend for winter in 2024, air conditioning within the building turned off after work on Friday and turned on at night on Sunday, which ensure that employees were physically comfortable during the working hour and also achieved progress in energy saving;
- After work and during weekends and holidays, security guards should patrol the building every hour, switching off lights in unoccupied office areas at once; only one elevator shall be open, the other one is open as the case may be;

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- When purchasing computers, printers, refrigerators, etc., priority is given to low-power models;
- In order to save gasoline consumption and reduce the cost of vehicles, the Company's administrative department centrally manages the allocation of vehicles and registers the mileage and fuel consumption of each vehicle before each trip so as to ensure overall observation and control of gasoline consumption;
- During the year, the property department increased the number of inspections in the building between 17:00 and 22:00, shortened the time interval between two adjacent inspections, and dealt with the non-essential power use situation immediately, so as to control the waste of electricity energy in a more timely and effective manner. During the year, the property department only open designated toilets for usage during the holiday of more than 2 days, and disconnected all the non-essential power supply to reduce the waste of non-essential electricity and water resources;
- The Company's free commuter shuttle bus which runs at fixed time and place, goes directly to the subway entrance, including morning and evening. Employees are encouraged to commute to work by company shuttle bus.
- The property department insists on compiling monthly statistics on the building's electricity consumption and compares with the electricity consumption of last month to deal with problems in a timely manner when founded, and proposes better measures in terms of hardware equipment to efficiently save energy.

In future, the Company will promote new energy-saving, environmental-friendly products in daily working spaces such as administrative offices and regional offices, and encourage the use of energy-saving devices and appliances to eliminate products that do not meet the national energy-saving standard.

The core of energy-conservation control of Myanmar Power Plant is to select world-class modern unit technology while ensuring that it operates in accordance with regulations during the operation stage. The generation units adopt the modern units of GE Company, and maintain the power generation efficiency to be at the best level by controlling the power plant to generate electricity under the rated state. In strict accordance with the operation requirements of GE Company, the power plants regularly repair and maintain the units to ensure that the units are maintained in good working conditions, so as to achieve the medium and long-term energy-conservation goals. In addition, equipment, lighting and other electrical facilities of the plants are controlled by quotas to ensure that electricity is saved during the work process.

Myanmar Power Plant has taken the following energy conservation and efficiency improvement measures:

- 1) improving combustion efficiency;
- 2) scientific ratio of natural gas to air;
- 3) improving boiler efficiency;
- 4) improving condenser vacuum; and
- 5) improving steam turbine efficiency.

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In addition, Myanmar Power Plant has developed and implemented an operational management system, scientific testing system, maintenance management system and daily warehouse equipment management system in an effort to improve power generation efficiency. The thermal consumption of the gas turbine at each of the Ahlone Power Plant and the Hlawga Power Plant reached 7,533BTU/kWh and 9,297BTU/kWh, respectively. The Ahlone Power Plant also improved the insulation efficiency of the gas turbine to prevent steam leakage, leading to an improved performance of the system in preventing water leakage, gas leakage, and heat leakage. In the future, Myanmar Power Plant will continue to implement measures to improve energy efficiency, such as cleaning pollutants inside the condenser and improving heat exchange efficiency.

Beijing Jiujian, a subsidiary of the Company, has formulated the Energy-saving Management Measures on Construction Sites, setting an energy-saving indicator for the construction electricity consumption ≤ 40 kWh/RMB10,000 output and specifying requirements for energy-saving management on construction sites from six aspects, i.e. energy-saving measures, construction electricity consumption and lighting, temporary facilities, construction machinery and equipment, land-saving measures, material conservation and resource utilization, which promoted the green construction of the Company.

Water resources management

In terms of water resources management, the Company adheres to strengthen employees' awareness of water saving, develops water recycling as appropriate, and improves water resource utilization efficiency; meanwhile, the Company strictly complies with laws and regulations related to water resources formulated by the State and a special qualification commissioner is responsible for water saving management and supervises the implementation. During the operation of the Company, water resources are mainly used for drinking and cleaning. During the year, the Company did not have any problems in obtaining suitable water sources. Table of use of water resource by the Company in 2024 are as follows:

Water consumption and intensity of China ITS

	2024	2023
Total water consumption domestic (m ³)	1,286.00	1,181.00
Total water consumption abroad (Myanmar Power Plant) (m ³)	3,268,800.00	3,600,000.00
Intensity of water consumption domestic (m ³ /m ²)	0.24	0.22
Intensity of water consumption abroad (Myanmar Power Plant) (m ³ /m ²)	4,086	6,400

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In 2024, the Company adopted the following measures to improve the utilization efficiency of water resources:

- Enhance inspection management: The property department strengthened the inspection by maintenance staff inside the building in order to avoid running, emitting, dripping and leaking and other phenomena as far as possible. Upon identification of any other issues, they will make immediate reports and take emergency treatment measures until the arrival of professionals for thorough repairs.
- Timely troubleshooting: In case of any “running, emitting, dripping and leaking” and other phenomena, deal with it as soon as possible, analyze the cause of the troubles and formulate a maintenance plan; if the construction party’s cooperation is needed, such maintenance staff should actively contact them to repair and restore the original condition as soon as possible.
- Cultivate awareness of water conservation: Reminders are posted in the restrooms and pantry room; the Company organized educational training on saving water to enhance its employees’ awareness of saving water. Among them, cleaners in the property department constitute a significant proportion, and due to the nature of their work, the daily water consumption is relatively high. After a long period of education and training, the employees’ awareness of saving water has increased, and they have developed good habits in saving water. All leaders set a good example and took consciously more care of water facilities and equipment with staff, improving the water resource utilization efficiency.
- Strengthen water recycling: Under reasonable circumstances, increase the recycling and reuse of water resources. For example, the cleaners can flush the toilet with water used during the cleaning process.
- Count up water consumption: The property department makes statistics on the water consumption of the building on a monthly basis, striving for further water conservation on the basis of the same consumption as the previous year, so as to achieve better results.

In the future, the Company will raise employees’ awareness of water conservation, and encourage them to participate in propaganda to make every employee aware of water conservation, and will give incentives or rewards to the employees who have made remarkable achievements in water conservation. Besides, the Company will enhance patrol inspection on the building to eliminate the occurrence of “running, emitting, dripping and leaking”. Any discovered accident shall be reported immediately and emergency actions shall be taken for further maintenance by specialists.

The water consumption of the Myanmar Power Plant, a subsidiary of the Company, is divided into two parts: chemical water and cooling water. Chemical water is used for producing steam in the boiler and is sourced from the Yangon River. It is used in small amounts after undergoing reverse osmosis treatment. Cooling water is used in the water boiler, and the main water consumption occurs in the mechanical cooling system, which is used to remove 50% of the combustion heat generated during natural gas combustion. The cooling water adopts an internal circulation mode, and the replenishment water is sourced from the Yangon River and undergoes precipitation and filtration treatment before usage.

The Myanmar Power Plant has implemented a water conservation system that emphasizes water conservation and prevents the occurrence of “running, emitting, dripping and leaking”, achieving excellent water conservation results. The Plant has also established an incentive system, with a bonus of RMB20,000 to incentivize employees who contribute to water conservation efforts.

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With regard to the use of packaging materials, the Company's products are distributed directly to customers by our provider Huawei, and no packaging materials are generated during the operation.

6.3 Controlling Emissions, Reducing Pollution

Solid wastes generated during the operation of the Company mainly come from the office process, including waste papers, ink cartridges, toner cartridges, batteries, etc.. Amongst, ink cartridges, toner cartridges and batteries may cause environmental pollution. During the year, the Company improved its waste management system. On one hand, kitchen waste is classified and placed in covered containers, ensuring daily removal to prevent contamination of food, water sources, and surfaces, as well as preventing unpleasant odors or wastewater overflow. The containers are cleaned promptly after emptying and disinfected when necessary. On the other hand, at construction sites, an on-site responsibility system is implemented for the classified storage and transportation of waste. Warning signs are posted in areas where waste is stored.

The table of the Company's hazardous and non-hazardous solid wastes emission and per capita intensity is as follows:

Emission volume of wastes and intensity of China ITS

Wastes	2024		2023	
	Emission volume of wastes (Kg)	Per capita intensity (Kg/person)	Emission volume of wastes (Kg)	Per capita intensity (Kg/person)
Ink cartridge	157.50	0.45	160.8	0.57
Toner cartridge	144.19	0.41	137.39	0.49
Fluorescent tube	39.20	0.11	39	0.16
Battery	68.82	0.20	67.08	0.24
Paper	4,076.50	11.53	4,331.8	15.31
Domestic waste	22,600.00	64.39	19,600	69.26

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The Company has adopted the following measures to control emissions, reduce pollution, and achieve energy conservation and emissions reduction:

- Dispose of waste reasonably: hazardous solid waste is delivered to a qualified third-party unit for processing; non-hazardous solid waste is collected and delivered to a waste paper recycling station.
- Reduce paper usage: promote paperless office and reduce unnecessary printing content; paste a sign in relation to saving paper, energy conservation and environmental protection in the printing room to remind printer users, and promote double-sided printing and improve single-sided paper reuse.
- Implement garbage classification: increase relevant training on waste sorting to enhance employees' awareness; set up clearly marked sorting bins on the floors for the collection of recyclables, kitchen waste, and other waste. The waste is handled by setting up different colored bins for preliminary sorting of waste, followed by the daily transportation by cleaning staff of the garbage to the garbage station in the park for secondary classification of the sorting bins, so as to avoid garbage confusion.

In 2024, according to the Beijing Administrative Regulation on Waste Sorting and the property requirements of the park, the property department continued to use sorting bins for garbage classification and posted garbage classification posters in the waste sorting areas within the building. 100% waste separation and disposal has been basically achieved in the building. In the future, the Company will cooperate with companies with professional waste disposal capabilities and assist them in completing the further disposal and recycling of waste.

In 2024, there were no confirmed cases relating to any violation of environmental protection laws or regulations with a significant impact on the Company.

In 2024, the total domestic sewage discharged by the Company was 19,865.50 cubic meters. The exhaust gas and greenhouse gas emissions of the Company mainly came from the power generation process of the Myanmar Power Plant during the year, and a small part came from the business vehicle exhaust and office power consumption of the Company. The main emissions are shown in the table below:

Greenhouse gases emissions of China ITS

Type	Unit	2024	2023
Sulphur dioxide	tonnes	89.58	102.99
NO _x	tonnes	878.95	1,010.56
Particulate matter	tonnes	118.24	135.95

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In strict compliance with local regulations and policies in Myanmar, such as the Constitution of the Republic of the Union of Myanmar (2008), the Myanmar Sustainable Development Strategy (2009) and Plan (2018–2030), the National Environment Policy of Myanmar (1994), Agenda 21- Myanmar, the National Biodiversity Strategy and Action Plan (NBSAP), the Prevention of Hazard from Chemical and Related Substances Law (2013), the Company's construction and operation of the Myanmar Power Plant is controlled in accordance with the standards of the Paris Agreement and the Chinese government, which is in conformity with requirements of the Myanmar government. In 2024, the Company neither received any government penalties or lawsuits due to environmental protection problems, nor did any environmental protection incidents occur. In the future, the Company will also continue to pay attention to environmental protection and continue to fulfill its social responsibilities in terms of the environment.

For the control and management of the emissions during the operation phase of Myanmar Power Plant project, the core of management lies in the adoption of advanced technology level, equipment level and design parameters to ensure the management of long-term safety, stability and compliance of the emissions. The strict inspection of various parameters by the operators could make the equipment and units operate under the design parameters, ensure the consistency between the emissions and designed emissions, so as to meet the requirements and achieve standard discharge of emissions.

- For waste gas, the main emissions include NO_x, SO_x and CO₂. Ahlone Power Plant adopted the modern GE gas turbine, which reduced the emissions by taking effective technical means such as water absorption to treat oxide and nitrogen oxide emissions. In addition, the greenhouse gas CO₂ is the inevitable emissions for power plants. Given the small number of Myanmar Power Plant and the shortage of electric power supply there, the CO₂ emissions generated by power plants within the scope of Myanmar's commitment are deemed as reasonable emission and do not violate the Paris Agreement. The units of Ahlone Power Plant and Hlawga Power Plant are operated and supervised under the GE requirements, which ensures the effective management of waste gas emissions and avoids the environmental risks to the surrounding environment of the construction project and risk of global climate change.
- For noise pollution, the noise level of GE units adopted by the power plant is controlled below 50dB, which is in full compliance with international standards and has no negative impact on the environment and human health. In addition, the power plant is strictly inspected during its internal operations, and the units are regularly repaired and maintained according to regulations to ensure that the units maintain stable and good operation.

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- For sewage, Myanmar Power Plant is equipped with a dedicated sewage treatment pool to treat the sewage and put the effluent water into recycling use. The operation of the power plant strictly abides by the environmental protection preparation conditions, follows the basic environmental protection requirements for power plant construction, and achieves zero discharge of sewage from Ahlone Power Plant and Hlawga Power Plant through advanced and high-level equipment and design. Sodium chloride, sodium sulfate and other miscellaneous salt are properly treated by sewage treatment pools, dry mud machines and other equipment, and other wastes are treated regularly by the Yangon Municipal Environmental Protection Department.
- For waste, it mainly includes lubricating oil, filters, ink cartridges, toner cartridges, fluorescent tubes, batteries, paper and domestic waste. We strictly abide by local laws and regulations, and signed an agreement with the environmental protection department under the Yangon Municipal Government, pursuant to which the environmental protection department will be responsible for the regular removal and disposal of emissions.

6.4 RESPONDING TO CLIMATE CHANGE ACTIVELY

As a major challenge to the sustainable development of human society, the issue of climate change is increasingly receiving close attention from the international community. With the continuous promulgation of relevant domestic policies, stakeholders have put forward higher requirements for addressing climate change and promoting low-carbon development. We set out our efforts and future direction in addressing climate change, categorized by governance, strategy, risk management, and indicators and targets.

Governance

In terms of governance, the Board of the Company is the highest responsible and decision-making body for ESG matters, and is fully accountable for the Company's ESG strategy and report. It is responsible for evaluating and identifying the Company's ESG-related risks, including climate-related risks, and ensuring that appropriate and effective ESG risk management and internal control systems are in place.

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Strategy

Climate-related risks include risks associated with the transition to a low-carbon economy (hereinafter referred to as “transition risks”) and risks associated with the physical impacts of climate change (hereinafter referred to as “physical risks”), of which transition risks can be categorized into policy and legal risks, technology risks, market risks, reputation risks, and physical risks include acute risks (such as typhoons, floods and other extreme weather events) and chronic risks (changes in climate patterns such as persistent high temperatures).

Type	Climate-related Risks	Response Measures
Physical Risks	Acute <ul style="list-style-type: none"> The occurrence of extreme weather events such as torrential rain, typhoons, and droughts may trigger a series of risks, including but not limited to production halts or reductions, disruptions in the supply chain, and difficulties in product transportation, all of which could undermine business stability, escalate costs, and diminish production capacity; Significant extreme weather disasters are highly likely to result in damage to production equipment and pose safety risks to employees, thereby introducing additional adverse factors. 	<ul style="list-style-type: none"> The Myanmar Power Plant conducts risk assessments and early warnings, implements facility upgrades and maintenance, and establishes robust emergency response plans. It also strengthens collaboration with emergency rescue departments. Specifically, for typhoons, the plant has established a typhoon emergency response leadership team to enhance equipment monitoring and ensure adequate emergency supplies. Additionally, wells are drilled to address water shortages during the dry season; The plant provides employees with relevant labor protection materials and equipment and offers onboarding training or courses on emergency response plans and procedures.
	Chronic <ul style="list-style-type: none"> Long-term shifts in climate patterns, such as prolonged high temperatures, may lead to increased operational costs and higher expenses for equipment maintenance and repairs due to rising cooling demands during summer. Additionally, subsequent adjustments in energy consumption structures could result in further cost investments. 	<ul style="list-style-type: none"> Enhancing efforts in risk prevention and emergency management by regularly monitoring local climate conditions and staying updated on climate change warning information in real time.

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Type	Climate-related Risks	Response Measures
Transition risks	Policies and Laws <ul style="list-style-type: none"> With the improvement and introduction of policies, regulatory authorities are expected to implement increasingly stringent measures to limit greenhouse gas emissions and strengthen disclosure requirements for such emissions. 	<ul style="list-style-type: none"> Staying informed about industry trends and policy changes related to the environment, and adjust operational practices in a timely manner in response to evolving regulations.
	Technology <ul style="list-style-type: none"> The innovation and iteration of production technologies to meet environmental requirements and drive research and development may lead to increased upfront costs, such as investments in new technologies or the adoption/deployment of new operations and processes. 	<ul style="list-style-type: none"> Continuously monitoring the development trends of low-carbon technologies, optimizing operational strategies, and promptly keeping up with the updates and iterations of relevant technologies.
	Market <ul style="list-style-type: none"> Driven by policy and market guidance, as well as the gradual increase in customers' awareness of low-carbon and environmental protection, there may be a shift in customer preference towards products with higher low-carbon attributes, potentially impacting the Company's position in the downstream industrial chain. 	<ul style="list-style-type: none"> Exploring energy-saving and emission-reducing green and low-carbon technologies, gradually establishing a green supply chain, and further optimizing customer services.
	Reputation <ul style="list-style-type: none"> As stakeholders continue to heighten their focus on climate change-related issues, failure to meet their expectations or any non-compliant behavior in this regard may lead to reputational damage. 	<ul style="list-style-type: none"> Strengthening communication with stakeholders, regularly reviewing the Company's energy-saving and emission reduction performance, and dynamically adjust future action plans based on progress and developments.

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Risk Management

In response to climate change, we prioritize the identification and assessment of both physical risks and transition risks, while seizing development opportunities to drive the sustainable growth of our Group. In response to the extreme weather events, we have developed emergency response plans and conducted drills to mitigate the impact of such events or natural disasters. In the event of relevant extreme weather conditions, we will implement measures outlined in the emergency plans to minimize adverse effects and ensure the continuity of production activities. Furthermore, we enhance the sustainable management of natural resources, reduce pollutant emissions, and refine our risk management and target-setting systems to promote high-quality and green development.

Metrics and Targets

The Company has identified metrics related to monitoring environmental, social, and climate-related risks. These metrics are tracked, statistically analyzed, and disclosed on an annual basis, including but not limited to:

- Energy (natural gas, gasoline, diesel, electricity, etc.) consumption;
- Direct GHG emissions (Scope 1);
- Indirect GHG emissions (Scope 2);
- Total GHG emissions (including Scope 1 and Scope 2);
- GHG emission intensity.

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The exhaust gas and greenhouse gas emissions of the Company mainly came from the power generation process of the Myanmar Power Plant during the year, and a small part came from the business vehicle exhaust and office power consumption of the Company.

Greenhouse gases emissions and intensity of China ITS²

Energy type	Unit	2024	2023
Direct GHG emissions	tonnes of Carbon Dioxide Equivalent	1,094,196.52	1,257,981.77
Indirect GHG emissions	tonnes of Carbon Dioxide Equivalent	28,286.95	31,536.54
Total GHG emissions	tonnes of Carbon Dioxide Equivalent	1,122,483.47	1,289,517.31
GHG emission intensity	tonnes of Carbon Dioxide Equivalent/ per RMB10,000 in business income	13.69	15.12

The Company continuously optimizes its operational management standards and enhances energy-saving and emission reduction efforts to reduce both direct and indirect greenhouse gas emissions, thereby contributing to climate change mitigation.

² The calculation of GHG emissions is as follows:

Direct GHG emissions: gasoline and natural gas consumption of the Company is multiplied by the corresponding emission factor. For the emission factor, please refers to ① China Energy Statistical Yearbook ② IPCC 2006;

Indirect GHG emissions: outsourcing power consumption of the Company is multiplied by the corresponding emission factor. For the emission factor, please refer to the Guidelines for Verification of Greenhouse Gas Emission Reports by Enterprises (Trial) by the Ministry of Ecology and Environment ;

Total GHG emissions: Sum of direct GHG emissions and indirect GHG emissions.

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APPENDIX

The HKEx Environmental, Social and Governance (ESG) Reporting Code Content Index

Aspect	Content	Reference Part in this Report
Part B: Mandatory Disclosure Requirements		
	Statement of the Board	Statement of the Board
	Reporting Principle	About This Report
	Reporting Scope	About This Report
Part C: “Comply or explain” Provisions		
A1 Emissions		
A1	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes.	6 Sustainability 6.3 Controlling Emissions, Reducing Pollution
A1.1	The types of emissions and respective emissions data.	6.3 Controlling Emissions, Reducing Pollution
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). Repealed on 1 January 2025	6.4 Responding to Climate Change Actively
A1.3	Total hazardous wastes produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	6.3 Controlling Emissions, Reducing Pollution
A1.4	Total non-hazardous wastes produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	6.3 Controlling Emissions, Reducing Pollution
A1.5	Description of emission target(s) set and steps taken to achieve them.	6.3 Controlling Emissions, Reducing Pollution
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.	6.3 Controlling Emissions, Reducing Pollution

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Aspect	Content	Reference Part in this Report
A2 Use of Resources		
A2	General Disclosure Policies on the efficient use of resources (including energy, water, and other raw materials).	6.2 Creating Green Office and Eliminating Waste
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	6.2 Creating Green Office and Eliminating Waste
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	6.2 Creating Green Office and Eliminating Waste
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	6.2 Creating Green Office and Eliminating Waste
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.	6.2 Creating Green Office and Eliminating Waste
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A
A3 The Environment and Natural Resources		
A3	General Disclosure Policies on minimising the issuer's significant impact on the environment and natural resources	6 Sustainability
A3.1	Description of the significant impacts of business activities on the environment and natural resources and the actions taken to manage them.	6 Sustainability
A4 Climate Change		
A4	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer. Repealed on 1 January 2025	6.4 Responding to Climate Change Actively
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. Repealed on 1 January 2025	6.4 Responding to Climate Change Actively

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Aspect	Content	Reference Part in this Report
B1 Employment		
B1	General disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	3.1 Employment and Rights 3.4 Care and Cohesion
B1.1	Total workforce by gender, employment type (such as full-time or part-time), age group, and geographical region.	3.1 Employment and Rights
B1.2	Employee turnover rate by gender, age group and geographical region.	3.1 Employment and Rights
B2 Health and Safety		
B2	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	3.3 Health and Safety
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	3.3 Health and Safety
B2.2	Lost days due to work injury.	3.3 Health and Safety
B2.3	Description of occupational health and safety measures adopted and how they are implemented and monitored.	3.3 Health and Safety 3.4 Care and Cohesion

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Aspect	Content	Reference Part in this Report
B3 Development and Training		
B3	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	3.2 Training and Development
B3.1	The percentage of employees trained by gender & employee category (e.g. senior management, middle management).	3.2 Training and Development
B3.2	The average training hours completed per employee by gender and employee category.	3.2 Training and Development
B4 Labour Standards		
B4	General disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have significant impact on the issuer relating to preventing child and forced labour.	3.1 Employment and Rights
B4.1	Description of measures to review employment practices to avoid child and forced labour.	3.1 Employment and Rights
B4.2	Description of steps taken to eliminate such practices when discovered.	3.1 Employment and Rights
B5 Supply Chain Management		
B5	General disclosure Policies on managing environmental and social risks of the supply chain.	4.2 Conducting Compliant Procurement to Ensure Quality
B5.1	Number of suppliers by geographical region.	4.2 Conducting Compliant Procurement to Ensure Quality
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	4.2 Conducting Compliant Procurement to Ensure Quality
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	4.2 Conducting Compliant Procurement to Ensure Quality
B5.4	Description of practices that promote the use of environmental preferable products and services when selecting suppliers, and how they are implemented and monitored.	4.2 Conducting Compliant Procurement to Ensure Quality

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Aspect	Content	Reference Part in this Report
B6 Product Responsibility		
B6	General disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have 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.	1.1 Strictly Guaranteeing Product Quality
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	1.1 Strictly Guaranteeing Product Quality
B6.2	Number of products and services relating to complaints received and how they are dealt with.	1.2 Customer Relationship Building
B6.3	Description of practices relating to maintaining and protecting intellectual property rights.	1.3 Actively Protecting Intellectual Property Rights
B6.4	Description of quality assurance process and recall procedures of products.	1.1 Strictly Guaranteeing Product Quality
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	1.2 Customer Relationship Building
B7 Anti-Corruption		
B7	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have significant impact on the issuer relating to anti-bribery, extortion, fraud and money laundering.	4.1 Eliminating Corruption in Accordance with Law and Regulations
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.	4.1 Eliminating Corruption in Accordance with Law and Regulations
B7.2	Description of preventive measures and whistle-blowing procedures and how they are implemented and monitored.	4.1 Eliminating Corruption in Accordance with Law and Regulations
B7.3	Description of anti-corruption training provided to directors and staff.	4.1 Eliminating Corruption in Accordance with Law and Regulations

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Aspect	Content	Reference Part in this Report	
B8 Community Investment			
B8	General disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities’ interests.	5	Benevolence
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	5	Benevolence
B8.2	Resources contributed (e.g. money or time) to the focus area.	5	Benevolence
Part D: Climate-related Disclosures			
D-I Governance			
D-I	The governance body(s) responsible for oversight of climate-related risks and opportunities	6.4	Responding to Climate Change Actively
D-II Strategy			
D-II	Climate-related risks and opportunities	6.4	Responding to Climate Change Actively
D-III Risk Management			
D-III	The processes and related policies used to identify, assess, prioritise and monitor climate-related risks	6.4	Responding to Climate Change Actively
D-IV Metrics and Targets			
D-IV	Greenhouse gas emissions	6.4	Responding to Climate Change Actively