浙江滬杭甬高速公路股份有限公司
ZHEJIANG EXPRESSWAY CO., LTD.

股份代號：0576

2025 Environmental, Social and Governance (ESG) Report



About This Report

Reporting Period

This report covers the Reporting Period from 1 January 2025 to 31 December 2025 (the "Reporting Period").

Reporting Scope

This report covers the expressway business of Zhejiang Expressway Co., Ltd.(the "Zhejiang Expressway", the "Company" or "we"), excluding the securities business, hotel business, or the business of associates, joint ventures and investee companies.

Source of Information

All information referred to in this report is derived from the official documents, statistical reports and financial reports of the Company, and has been verified by a third party. All information referred to in this report is solely for the purpose of disclosure on the progress of sustainability management of the Company and shall not be used for commercial purposes.

Basis of Preparation

This report is prepared in accordance with the Environmental, Social and Governance Reporting Guide, and Guidance on Climate Disclosures of the Hong Kong Stock Exchange and GRI Standard of the Global Sustainability Standards Board.

Reporting Principle

This report adheres to the four Reporting Principles of Materiality, Quantitative, Balance, and Consistency as outlined in Environmental, Social, and Governance Reporting Code of the Hong Kong Stock Exchange. This report contains no false records, misleading statements, or material omissions. The Company is responsible for the authenticity, accuracy, and completeness of the textual content and data in the Report.

Materiality: This report employs a materiality assessment process to determine the impact of ESG-related matters on both internal and external stakeholders, thereby focusing on and disclosing issues that have significant implications.

Quantitative: By establishing an ESG data and information statistical mechanism that covers the Company headquarters and its subsidiaries, this report quantifies and statistically analyzes the key disclosure indicators within the ESG report.

Balance: The content of this report reflects objective facts, disclosing both positive and negative indicators to present a balanced view.

Consistency: By referring the disclosure scope of the Company's annual report, this report utilizes a unified data disclosure caliber and statistical methodology to adhere to this principle.

Access to the Report

This report is prepared in both traditional Chinese and English. In case of discrepancies, the traditional Chinese version shall prevail. You can download both Chinese and English versions of this report from the Company's website at https://www.zjec.com.cn/ and the Hong Kong Stock Exchange's website at http://www.hkexnews.hk.

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Chairman's Statement

> The year 2025 marked a year of solid progress for Zhejiang Expressway along the path of high-quality development. Faced with a complex and volatile external environment, the Board of Directors of the Company has, with a strong sense of responsibility and strategic resolve, faithfully performed its duties and led the Company to achieve sound operations. Through the in-depth practice of sustainable development, the Company has fully integrated the concept of environmental, social and governance (ESG) into its corporate strategy and operations, actively responded to the expectations of all stakeholders, and committed itself to creating long-term and comprehensive value.

Board Responsibility

At the Board level, the Company has established and enhanced a strategic oversight mechanism covering key ESG topics, ensuring that sustainable development goals are aligned with the Company's development vision. We have systematically integrated ESG risks and opportunities into the decision-making process for major matters, continuously optimized the ESG governance structure, and clarified rights and responsibilities. This ensures the Company's resource allocation and strategic implementation in key areas including safe operation, green transformation, service quality enhancement, and compliance governance, laying a solid governance foundation for the Company's long-term prosperity.

Objective Tracking

The Board not only focuses on strategy formulation but also attaches great importance to objective tracking and performance delivery. In 2025, we have set clear and measurable phased targets around key material topics. Through regular management reporting, special deliberations, and internal and external data verification, the Board consistently oversees progress against these targets. We will continue to manage and disclose our ESG performance in a rigorous and transparent manner.

Looking Ahead

The road ahead is marked by both challenges and opportunities. With the national "dual carbon" goals advancing in depth, the development of a country with strong transportation capacity accelerating, and public expectations for wonderful travel experiences rising, all these place higher demands on the Company's future development. We will focus our efforts on the following strategic priorities: First, deepen digital and intelligent empowerment, increase investment in technology, and build a "future road network" that is smarter, more efficient and resilient. Second, accelerate the green transformation, expand the application of clean energy, promote energy conservation and emission reduction across the entire value chain, and protect the green mountains and clear waters along the routes. Third, elevate the essence of services, shifting from meeting basic passage needs to delivering high-quality travel experiences, and continuously enhancing user well-being and social harmony. Fourth, consolidate governance foundations, strengthen risk management and control, uphold business ethics, and create and share development fruits with employees, partners and communities.

Conclusion

Our original aspiration remains steadfast, and our mission lies heavy on our shoulders. Every departure and arrival of Zhejiang Expressway underpins the flow of economic arteries and the well-being of millions of travelers. We firmly believe that only by internalizing sustainable development as the lifeblood of the Company can we achieve enduring prosperity and live up to the expectations of the times.

About Zhejiang Expressway

Company Profile

Zhejiang Expressway Co., Ltd. is a core member enterprise and an important listed platform under Zhejiang Communications Investment Group, and is the first state-owned enterprise in Zhejiang Province and the only provincial expressway investment and operation company to be listed outside the territory of Chinese mainland. The Company was exclusively initiated and established in March 1997 by the former Zhejiang Provincial Expressway Investment Co., Ltd., and listed on the Hong Kong Stock Exchange in May of the same year.

In recent years, we are committed to building ourselves into a first-class professional expressway operating company. The Company adheres to the core values of "integrity, harmony, openness and enterprise" and the corporate spirit of "dedication, commitment, breakthrough", and commits to constructing a modern expressway operation service system that is safe, convenient, high-quality, efficient, intelligent, technological, green and economic.

The Company has invested in and operates 27 expressways, with a total mileage of 2,382 kilometers, of which 1,143 kilometers are controlled expressway mileage. These include major sections such as Shanghai-Hangzhou-Ningbo Expressway, Shangsan Expressway, Ningbo-Jinhua Expressway, Hanghui Expressway, Huihang Expressway, Zhoushan Bay Bridge, LongLiLiLong Expressways, Zhajiasu Expressway and HuangQuNan Expressway.



Honours for the Year 2025

Time	Honours and Accolades	Presenter
February 2025	Typical Case of Cybersecurity Technology Application (IoT Security Protection Solution)	Ministry of Industry and Information Technology, Ministry of Water Resources, People's Bank of China, National Radio and Television Administration, etc.
April 2025	Third Batch of Demonstration Scenarios for "Activating Public Data"	Department of Data Resources, National Data Administration
July 2025	Outstanding Scientific and Technological Innovation Achievement, 5th Transportation Enterprise Innovation	Evaluation Committee for Excellent Enterprise Management Achievements in Transportation Industry, China Association of Communication Enterprise Management
	Science and Technology Award (Second Prize), Zhejiang Highway Society	Zhejiang Highway Transportation Society
	Mao Yisheng Road & Bridge Engineer Innovation Team	Mao Yisheng Science and Technology Education Foundation
	2025 National Innovation Case of Transportation and Energy Integration	Working Committee for the Integrated Development of Transportation and Energy, China Highway and Transportation Society
September 2025	First Prize, 2025 Road Transport Industry Data Factor Application Innovation Competition	China Highway and Transportation Society
	Best Practice Award for Data Elements, 2025 Global Data Management Summit	Organizing Committee of 2025 Global Data Management Summit
October 2025	Excellent Report, Transportation Enterprise Social Responsibility (ESG) Report	China Association of Communication Enterprise Management
	Exemplary Case, 2025 Transportation Enterprise Social Responsibility (ESG)	China Association of Communication Enterprise Management
November 2025	2025 Listed Companies (H-share) Golden Bull Award for Corporate Governance	China Securities Journal
	Commercial Value Award (Transportation Track), National Finals of 2025 "Data Elements ×" Competition	National Data Administration
	Top 10 Cases of "Highway + Culture" Integrated Development under "Highway Supports Rural Revitalization" 2025	China Communications News Co., Ltd., Planning and Research Institute, Ministry of Transport
January 2026	15th China Securities Golden Bauhinia Award for Outstanding High-Quality Development Listed Company	Hong Kong Ta Kung Wen Wei Media Group, Beijing Association of Listed Companies, Chinese Financial Association of Hong Kong, Hong Kong Securities Association , etc.

Highlight and Performance

Governance

Total operating revenue
RMB **19.8** billion

Total assets
RMB **293.4** billion

Total tax payment
RMB **2** billion

Net profit attributable to shareholders of the listed company
RMB **5.3** billion

Number of anti-corruption and anti-bribery training sessions
2 times

Environment

Total greenhouse gas emissions
91,586.79 tonnes of CO_2e

Fines/penalties related to environmental pollution
RMB **0**

Energy consumption
19,152.55 tonnes of standard coal

Society

Labor contract signing rate
100%

Social insurance coverage rate
100%

Highway maintenance quality index (MQI)
96.72

Average training hours per full-time employee
40 hours

Total charitable donations
RMB **5.3** million

ESG Governance

The Company commits to deeply integrating ESG principles into its decision-making and operational processes, continuously optimizes its governance structure, and strengthens the oversight function of the Board of Directors. It gains trust through transparency and drives transformation with a strong sense of responsibility. By internalizing ESG into organizational capabilities and proactive development awareness, the Company injects enduring stability and firm confidence into the steady and long-term development of Zhejiang Expressway.

ESG Governance Structure

The Company has established a three-tiered and fully integrated ESG governance structure comprising the decision-making level, coordination level and execution level, featuring well-defined responsibilities, efficient operations and strong coordination. The Board of Directors undertakes the duties of strategic guidance and oversight; The Secretarial Office to the Board coordinates and drives the achievement of objectives; and all business units and functional departments are responsible for specific implementation.



ESG Governance Structure of Zhejiang

Pay Linked to Sustainability

The Company integrates key ESG topics such as "safety production", "environmental compliance", "cyber and information security", "road smoothness maintenance" and "service quality" into the executive compensation assessment system. For senior executives responsible for operations and uninterrupted road operation, the Company has further set refined ESG indicators including road disruption restoration rate, liable complaint rate and service satisfaction rate, so as to promote the deep integration of sustainable development goals and management responsibilities.



Communication with Stakeholders and Identification of Material Topics

The Company has always maintained an open, transparent and sincere attitude to establish communication mechanisms with stakeholders including the government, shareholders, customers, employees and communities. It takes the initiative to listen through diverse channels and accurately identify the expectations of all parties, integrates feedback into the management cycle, and improves ESG performance through transparent responses.

Stakeholders	Expectations and Demands		Communication Methods	
Shareholders / investors	• Protect shareholders' rights and interests • Return on investment • Information disclosure	• Strengthen risk management • Compliance operation and management	• Press releases and announcements • Company financial reports • Company official website	• Investor meetings and roadshows • Regular and interim reports • Shareholders' meetings
Government / regulatory authorities	• Operate in compliance with laws and regulations • Pay taxes according to law • Business and economic development	• Contribute to smart transportation • Safe operation • Contribute to the "Dual Carbon" goals	• Compliance reports • On-site inspections • Participation in meetings/ seminars	• Special inquiries/ inspections • File reporting • Environmental inspections
Customers	• Safe and smooth travel experience • Provide high-quality services	• Data privacy protection • Product research and development innovation	• Company official website • Community media platforms • Multiple customer service channels	• Customer satisfaction surveys • Customer communication hotline
Employees	• Protect employee rights • Occupational health and safety	• Improve employee welfare • Equal employment opportunities and diversified development	• Employee satisfaction surveys • Employee assemblies	• Visits and condolences • Employee training activities
Suppliers / partners	• Long-term business relationships • Fair and reasonable prices	• Product quality assurance	• On-site visits • Daily communication	• Regular meetings • Forums and exchange cooperation
Community public	• Community engagement • Public welfare projects	• Reduce road noise • Protect the local ecological environment	• Public welfare and charity activities • Company official website	• Social media platforms • Visits and surveys

We regularly conduct materiality review and assessment. Combining policy orientation, industry trends as well as internal and external stakeholder surveys, we systematically analyze the impact of issues and prioritize them, continuously enabling the Company to duly respond to concerns of all parties and improve sustainable development performance.

Material Issue Identification, Assessment, and Prioritization Process

Identification

Based on policy orientation, industry benchmarking, corporate strategy and annual key tasks, we initially identify sustainable development-related issues.

Assessment

Through questionnaires, interviews and other forms, we extensively solicit opinions from internal and external stakeholders.

Prioritization

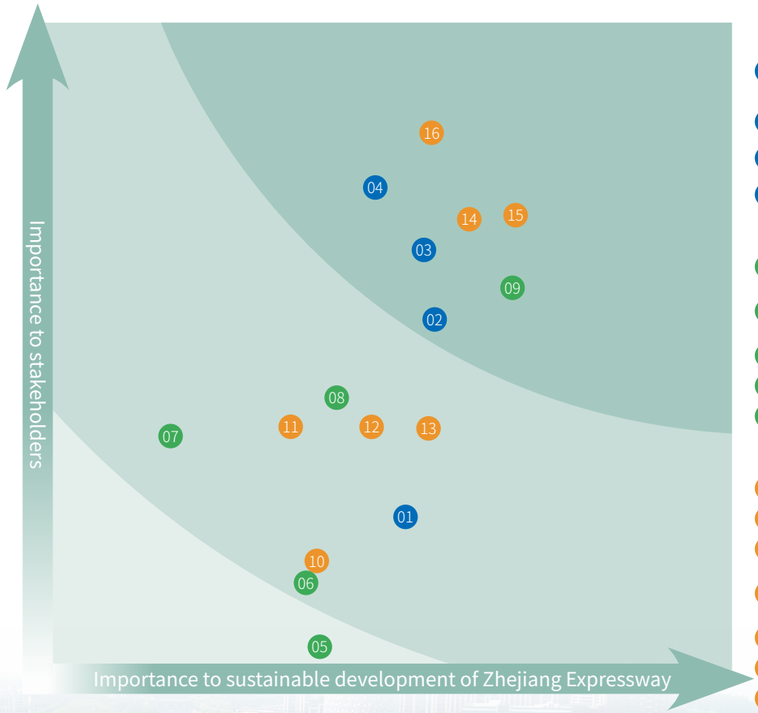
We analyze the research findings, develop a material issue matrix, and formulate a prioritized list.

Review

Reviewed and confirmed by the Company's board of directors.

The assessment for the Reporting Period is as follows:

Material Issue Matrix



Governance

- 01 Data governance and information security
- 02 Corporate governance
- 03 Business ethics
- 04 Risk management

Environment

- 05 Green operation
- 06 Sustainable management of natural resources
- 07 Emission management
- 08 biodiversity and land use
- 09 Address climate change

Social

- 10 Promote industry development
- 11 Management of supply chain
- 12 Digital reform
- 13 Employee development and training
- 14 Employee rights and protections
- 15 occupational health and safety
- 16 Road service safety and quality



Governance as the Foundation

Compliance for Long-term Development

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The Company continuously optimizes its governance structure, improves its risk prevention and control mechanisms, and strengthens the development of its compliance management system. We integrate the values of integrity, transparency and accountability into the entire process of decision-making and operations. Committed to enhancing governance efficiency, preventing operational risks and protecting the rights and interests of all parties, we provide a solid guarantee for the Company's high-quality development and long-term value creation.

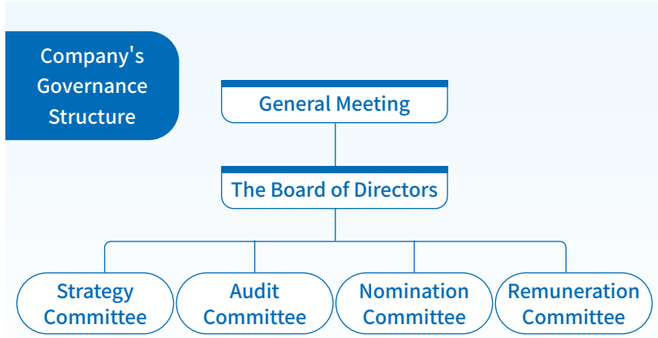
Honours

Selected as a Benchmark Enterprise in the "Benchmarking Initiative for Management of Key State-Owned Enterprises" by the State-owned Assets Supervision and Administration Commission of the State Council (SASAC).

Upholding the Bottom Line of Compliance

Corporate Governance

The Company continuously optimizes its internal governance structure. Through the implementation of the single-tier system reform, it has replaced the board of supervisors with an audit committee, internalizing the oversight function within the board of directors, so as to achieve the organic integration and effective check-and-balance of decision-making and oversight powers within the board. Following the integration of oversight functions into the decision-making process, governance efficiency has been significantly improved, and the board's overall responsibility for the Company's operational compliance and financial authenticity has become more prominent. Meanwhile, this reform is also aligned with the international mainstream corporate governance models.



During the Reporting Period

Number of Board Meetings	Number of Resolutions Considered
13	42
Number of Special Committee Meetings	**Number of General Meetings**
7	3

Board Governance System and Capacity Building

The Company strictly complies with relevant regulations such as the Company Law and Listing Rules. It has formulated core governance documents including the Rules of Procedure for the Board of Directors, Working Regulations for the Audit Committee, Working Regulations for the Nomination Committee, Working Regulations for the Remuneration Committee, and Scope of Authority and Responsibility for the Strategy Committee, clarifying the duties and powers of various governance bodies, standardizing decision-making, supervision and execution procedures, and ensuring the standardized and professional operation of the Company's corporate governance. Meanwhile, in conjunction with the A-share issuance plan, the Company has comprehensively sorted out its corporate governance system and carried out the formulation and revision of 24 regulations, including the Articles of Association, Rules of Procedure for the General Meeting, Rules of Procedure for the Board of Directors, and Working Rules for the General Manager, further consolidating the institutional foundation for the Company's future corporate governance.

The Company has continuously strengthened the capacity building of the Board of Directors, formulated and promulgated the Directors' Code of Conduct, clarified the division of responsibilities, and conducted regular Board self-assessments. Meanwhile, by arranging for Board members to participate in professional training, the Company has enhanced their compliance capabilities in respect of inside information disclosure, connected transactions and other areas, promoting the improvement of directors' performance of duties. This has laid a solid capacity foundation for the Board to fully exercise its key authorities, including the right to make decisions on medium- and long-term development, the right to assess the performance of management members, and the right to manage major financial matters.

Board Skills & Diversity

In determining the composition of the Board of Directors, the Company considers the diversity of Board members from multiple perspectives, including but not limited to gender, age, cultural and educational background, professional experience, knowledge and skills. The Directors possess expertise in various professional fields such as accounting, finance, management, transportation and construction engineering, with ages ranging from 41 to 69. The Company attaches importance to female Directors. When suitable candidates become available in the future, the Board will gradually increase the proportion of female members at an appropriate time. A diversified Board structure enables the Company to empower scientific decision-making from multiple perspectives, and continuously enhance governance effectiveness and the forward-looking nature of strategic decision-making.

Board Leadership Structure

Name	Gender	Position	Professional Background
Yuan Yingjie	Male	Chairman & Non-executive Director	Ph.D. in Road and Railway Engineering, Professor-Senior Engineer
Li Wei	Male	Executive Director	Bachelor of Engineering in Transportation Management, Senior Engineer
Zhao Xilong	Male	Non-executive Director	Master of Transportation Planning and Management, Economist
Fan Ye	Male	Non-executive Director	Doctoral Graduate, Economist
Huang Jianzhang	Male	Non-executive Director	Master of Business Administration, Senior Economist
PEI Ker-Wei	Male	Independent Non-executive Director	Ph.D. in Accounting
LEE Wai Tsang, Rosa	Female	Independent Non-executive Director	Master of Science in Finance, Master of Business Administration, Licensed Person under Hong Kong's Securities and Futures Ordinance
Yu Mingyuan	Male	Independent Non-executive Director	Bachelor of Engineering in Transportation Management, Grade II Researcher at the Research Institute of Highway, Ministry of Transport of the People's Republic of China

The three independent non-executive directors of the Company all play an important role in the Company's risk identification and risk management. Among them, PEI Ker-Wei relies on his many years of accounting professional background both inside and outside the mainland to play a core role in internal control of financial risks and audit supervision. As a senior expert in the transportation field, Yu Mingyuan participates deeply in the risk judgment of road network operation and provides research and strategic support in transportation expertise.LEE Wai Tsang, Rosa is a licensed person under the Securities and Futures Ordinance of Hong Kong, with comprehensive experience in financial and investment risk management, providing effective suggestions for investment decision-making and risk control.

Board Independence

The Company strictly complies with the Listing Rules to ensure that independent directors perform their duties independently and professionally in major decision-making. Meanwhile, the Company has formulated the Procedures for Directors to Seek Independent Professional Advice, which ensure that the Directors of the Company can duly discharge their established duties without incurring additional financial expenses for obtaining opinions from independent professional consultants. Where directors consider that his or her own experience and background, or the information provided by the management, is insufficient to enable him or her to form an independent judgment at a meeting of the Board, he or she may make a clear request for supplementary materials or information. The procedures for seeking independent professional advice effectively functioned during the Reporting Period.

Clawbacks & Malus

The Company strictly implements the salary recovery mechanism. It explicitly provides that where a responsible person of the enterprise is liable for the violation of laws and regulations or material risk losses of the enterprise due to dereliction of duty, the performance-based remuneration paid within the corresponding period shall be recovered in accordance with relevant regulations. Such provisions shall also apply to persons who have resigned or retired, thereby forming a remuneration restraint mechanism featuring matching of power and responsibility as well as clear rewards and punishments.

Corporate Behavior

The Company has always adhered to high standards of business ethics and integrated integrity and compliance into its entire operation process. It has continuously improved its risk prevention, control and supervision and reporting mechanisms, firmly resisted all types of violations, and safeguarded the high-quality development of the enterprise through integrity-based operation and transparent governance.

Bribery and Anti-Corruption Policy and Programs

The Company has firmly built a strong defense line against corruption and bribery, improved its professional integrity management system, and strengthened compliance awareness among all employees. It strictly abides by market rules, consciously resists unfair competition practices, and maintains a fair, impartial, standardized and orderly market order. No litigation involving corruption occurred during the Reporting Period.

Employee Training on Ethical Standards

The Company conducts regular ethics training covering all employees, enhances awareness of compliance in practice, and strengthens the ideological foundation of integrity and self-discipline.

In 2025

Number of anti-corruption training sessions for directors

1

Number of company-wide anti-corruption training sessions

2

Regular Audits of Ethical Standards

In 2025, the Company engaged a third-party certification institution to conduct regular audits on ethical standards, systematically verifying the effectiveness of compliance and internal controls.


中国质量认证中心

企业 ESG 评价报告

受评价方：浙江沪杭甬高速公路股份有限公司
评价时间：2026. 3. 20.
报告日期：2026. 3. 21.

中国质量认证中心有限公司

Whistleblower Protection

The Company has established a standardized and transparent reporting and investigation mechanism with diversified reporting channels. It strictly implements the relevant provisions of Guidance on Strengthening the Handling of Reports and Accusations to clarify the working principles and acceptance procedures for appeals and accusations. Upon receipt of leads, the Company conducts independent and impartial investigations and dispositions in accordance with regulations, effectively safeguarding the legitimate rights and interests of internal and external stakeholders.

The Company discloses anonymous reporting channels on its official website, which accept both signed and anonymous reports, and strictly protects the legitimate rights and interests of whistleblowers. It undertakes to keep whistleblowers' information strictly confidential and prohibits any form of retaliation, so as to jointly foster an environment of integrity and compliance.

Anonymous Reporting Channels

Address:

Room 701, No. 2, Mingzhu International Business Centre, 199 Wuxing Road, Hangzhou City, Zhejiang Province, PRC

Email:

hhyjjs2025@zjec.com.cn

Contact Number:

0571-87985588



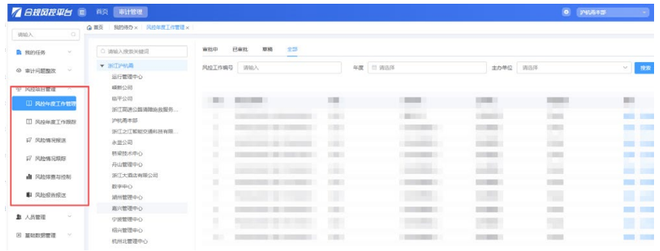
Comprehensive Risk Management

The Company strictly implements the Comprehensive Risk Management Measures and establishes a multi-tiered risk management organizational structure. The Board of Directors has always regarded risk oversight as a key responsibility in corporate governance. Various governance levels perform their respective duties and collaborate in a coordinated manner, integrating risk management into the entire process of operation and management.

Board of Directors	Audit Committee	General Manager's Office Meeting	Risk Management Department	Grassroots Units
Overall risk decision-making	Responsible for supervision and review	Deploy and implement risk management and control	Overall coordination; conduct risk identification and assessment embedded in business lines	Implement and enforce regulations

The Company has established a risk management system centered on the Comprehensive Risk Management Measures, covering key areas including audit, climate risk, post-investment management and procurement. It clarifies departmental responsibilities and operational standards, strengthens compliance constraints and process control, and embeds risk identification into the entire chain of investment decision-making, operation management, and supervision and rectification.

The Company has built a risk monitoring, early warning and control system, and launched a risk management platform to digitalize the full process of risk management disposal and reporting, continuously enhancing the standardization and efficiency of risk management.



Online risk control platform

Basic risk management processes

- Collect initial information on risk management
- Conduct risk assessment and analysis — Divided into three steps: risk identification, risk analysis, and risk evaluation
- Develop risk management strategies — Strategies such as risk acceptance, risk avoidance, and risk sharing
- Propose and implement risk management solutions — Outsourcing solutions, internal control solutions, etc.
- Risk management supervision and improvement

Privacy and Data Security

The Company strictly complies with the requirements of relevant laws and regulations such as the Data Security Law of the People's Republic of China and the Personal Information Protection Law of the People's Republic of China, and implements the provisions of its internal policies including the Data and Personal Information Security Management Measures and the Network and Information Security Management Measures. It integrates information security throughout the entire process of smart transportation construction, operation and management, as well as service support.

Focusing on the three key aspects of risk, operation and maintenance, and emergency response, the Company has established a full-process information security management and control system to fully prevent and defuse various information security risks, and safeguard the Company's digital transformation and high-quality development.

Risk Management

Conduct regular risk assessments on a routine basis, covering scenarios such as monthly inspections, critical assurance activities and new system launch; establish a full life cycle management mechanism for vulnerabilities to realize a closed-loop process from scanning, grading and rectification to verification.

Operation and Maintenance Control

Standardize the procedures for system launch, network isolation and authority management, implement the requirements for security testing approval and cross-network data control, and adhere to the principle of least privilege management.

Information Security Management Practices

Emergency Response

Improve the emergency response plans and disposal procedures for security incidents, and clarify the working mechanisms for incident classification, disposal steps, system recovery and post-incident review.

Upgrading Data Security Governance to Jointly Build a Strong Information Security Defense Lines

In 2025, the Company partnered with Tongdun Technology to upgrade and iterate its big data and data asset management platform. Through the upgrade, the company implemented end-to-end management of data assets, enabling classification and tiered labeling as well as portal-based management. In addition, the platform's security modules were strengthened, establishing a comprehensive system that includes tiered data encryption, permission governance, data desensitization, and log auditing. The project significantly enhanced the Company's data governance and compliance capabilities, effectively curbed the risk of data leakage, and laid a solid foundation for the secure release of data value and market-oriented data operations.

The Company also conducts regular company-wide information security training and emergency drills. In 2025, it organized two specialized trainings on cybersecurity and the Silver Fox virus, as well as two drills focusing on data security and vulnerability emergency response, continuously strengthening employees' security awareness and incident response capabilities.

The Company continuously enhances the customer information protection system by refining privacy protection agreements and conducting specialized training, thereby establishing a closed-loop management system for customer privacy protection. At the same time, a third party has been engaged to perform data security audits, further strengthening safeguards for customer data security. During the Reporting Period, there were no complaints received due to infringement or leakage of customer privacy.

Smart Mobility Services

Connecting in All Directions

Commitment to High-Quality Services 21

Upgrading Intelligent Transportation 25

Boosting Industry Collaboration 27

Zhejiang Expressway has always upheld its people-centered transportation mission. With safe and smooth travel as the bottom line and high-quality service as the core, the Company remains committed to the responsibilities of an infrastructure operator. By focusing on smart mobility and customer-focused services, it continues to enhance the travel experience for drivers and passengers, providing efficient, convenient, and people-oriented road operations that support regional development and safeguard public mobility.



Commitment to High-Quality Services

Road Safety

The Company places safe operations as its top priority, establishing and continuously improving a standardized safety production management system while conducting ongoing risk inspections and intelligent early-warning monitoring. It has also improved and regularly drills multi-party emergency response coordination plans, while actively promoting road safety awareness campaigns. Through these efforts, the Company strives to build a comprehensive road safety protection system and enhance the all-weather operational resilience of the road network.

- Recognized as the "Safety Production Policy and Theory Research Center of the Zhejiang Emergency Management Think Tank (Supporting Institution)"
- The project "Standardized Safety Production Construction for Expressway Traffic Operation Enterprises" was selected as a "2025 Typical Case in Transportation Brand Development"
- The Hangzhou North Management Center Linjian Station, Hangzhou Center Station, and Huangshan Center Station were awarded the title of "2025 Benchmark Units for Transportation Safety Culture Development"

Safety Production Management System

The Company continues to improve its safety production management system, issuing and implementing institutional documents such as the Administrative Measures for Safety Production Supervision and Inspection, the Administrative Measures for the Management of Safety Production Accident Hazards, and the Measures for Hazard Source Management. These policies establish a comprehensive institutional framework covering supervision and inspection, hazard management, and risk control across the entire process. In addition, we have vigorously promoted the development of the certified safety engineer team by establishing a company-wide Certified Safety Engineer Committee and continuously improved the committee's operational mode so as to promote regular coordination and long-term collaboration between the committee and routine safety management practices. As of the end of the Reporting Period, the Company has a total of 185 certified safety engineers, including 37 newly added during the year.

The Company has also continuously strengthened full-process safety production management, achieving the goal of "zero major accidents" throughout the year. The staffing rate for safety production management institutions and full-time and part-time safety management personnel across all units reached 100%, ensuring the effective implementation of management responsibilities. In 2025, the Company systematically summarized its experience in building the dual prevention mechanism and compiled and issued the group standard "Specification for the Construction of Safety Risk Grading Control and Hazard Investigation and Management Systems for Expressway Operation Enterprises." Through standardized development, these achievements have been consolidated and institutionalized.

During the Reporting Period

No liable workplace safety accidents occurred, and there were no road traffic fatalities for which the Company bore equal or greater responsibility.

No general or above level fire accidents occurred, nor any fire incidents that caused social impact.

No major quality or safety accidents occurred involving roads, bridges, tunnels or other infrastructure.

Localized Implementation of SCORE to Strengthen the Foundation of Workplace Safety

Since 2024, the Huzhou East Integrated Management Office has deepened the application of SCORE practices. On September 24, 2025, the Company held a project completion and review meeting at the Huzhou Management Center. The project advanced across three key dimensions, integrating the SCORE concept into workplace safety management, encouraging full employee participation, and achieving results that received high recognition from both domestic and international experts. It has formed a replicable and scalable standardized grassroots safety management model.

Emergency Management System Protection

The Company has established a comprehensive system of specialized emergency response plans, covering multiple scenarios such as road incidents, hazardous chemicals, and natural disasters. Through systematic risk assessments and hazard investigations, combined with emergency resource assessments, the Company formulates and regularly drills various emergency response plans for unexpected incidents. At the same time, internal and external coordination mechanisms have been strengthened to continuously improve the road network's emergency response and incident-handling capabilities.

Technology Empowering Cross-Provincial Emergency Response to Strengthen the Smart Safety Defense Line

In July 2025, the Company, together with Anhui Transportation Holding Group, jointly conducted a cross-provincial emergency drill for tunnel incidents at the Qianqiuguan Tunnel on the S29 Linjin Expressway. The drill focused on testing the cross-provincial emergency coordination mechanism and the application of smart technologies. Both parties established a joint command center to enable real-time information sharing and unified command dispatch. During the exercise, drones were deployed for traffic control, and robotic dogs were used for fire scene reconnaissance. The entire emergency response process was completed within one hour. Through the application of advanced technologies, this initiative enhanced the safety resilience of the regional road network, reduced the likelihood of prolonged traffic disruptions and secondary risks caused by emergencies, and safeguarded public travel safety and the smooth operation of key transport corridors. It represents an important practice of smart transportation supporting public safety in society.



Emergency Drill Site – Evacuation of Stranded Drivers and Passengers

Service Quality

The Company centers its efforts on the concept of "Wonderful Travel". By advancing smart infrastructure development to improve traffic efficiency and providing scenario-based services that extend human-centered care, it systematically promotes upgrades in the quality of road network services. Through innovative brand operations and precise service delivery, the Company ensures that safety, efficiency, and warmth become defining features of the Shanghai–Hangzhou–Ningbo Expressway, continuously creating a better travel experience for the public.

The "i-Zhejiang Expressway" Brand Matrix Enhances User Experience Through Diverse Services

The Company has systematically built the "i-Zhejiang Expressway" brand matrix, innovating an operational model of "brand communication – user connection – scenario conversion." This approach has significantly improved service quality and strengthened users' sense of value and engagement.

Enhancing communication through new media

Leveraging social media platforms, the Company conducted 217 live broadcasts on policy updates and road conditions, generating 3.784 million interactions and likes, enabling precise and timely information delivery to the public.

Promoting integration of expressways and cultural tourism

Throughout the year, the Company organized 36 themed marketing campaigns, such as "Driving Traffic onto the Expressway" initiatives, successfully creating benchmark cultural tourism projects including "Chasing the Light and Deer" and "Cycling in Daishan."

Caring for truck drivers

The Company launched the "Truckers' Health Shanghai–Hangzhou Program", covering 35 partner medical institutions across the province and attracting participation from approximately 5,500 drivers. It also organized the "Good Drivers Around Us" recognition program to convey the warmth of service and further deepen engagement with the driver community.

Precision Maintenance Technology Improved Road Network Traffic Efficiency

In 2025, with the goal of improving the quality of public travel services, the Company jointly developed the project "Research on Lane-Level Maintenance Technology for Expressways Based on the Full Life Cycle". Owing to its outstanding technological innovation and practical value, the project won the Second Prize for quality engineering in the 4th Highway Maintenance Engineering Innovation Competition.

The technology has been successfully applied on key sections such as the Hangzhou–Ningbo Expressway in Zhejiang. By establishing a lane-level precision maintenance system, it enables differentiated construction plans for each individual lane ("one lane, one solution"). This approach significantly reduces traffic disruption caused by large-scale traditional maintenance, while effectively extending the service life of smooth and comfortable road surfaces. To date, the technology has been applied to over one million square meters of pavement. While achieving significant cost savings in maintenance, it has also directly improved road network traffic efficiency and driving experience, representing an important practice in using technological innovation to upgrade service quality.

Upgrading Toll Station Services to Create More Human-centered Travel Station

To improve the service quality of toll stations, the Company has systematically promoted service transformation and infrastructure upgrades, with particular attention to the practical needs of groups such as truck drivers.

Advancing service scenario upgrades

Around 20% of toll stations have been transformed into "comprehensive service hubs," integrating one-stop services such as shopping and EV charging. To date, the Company has established 32 "Zhi Zai Xing" service booths, 27 anti-fatigue parking areas, and opened 105 EV charging piles across 17 toll stations, significantly improving travelers' conditions for rest and replenishment during journeys.

Enhancing human-centered care services

The company has established four "Truckers' Health Stations," organizing 39 health check-up events and serving more than 2,200 drivers. It has also launched five "Late-Night Canteens," providing services to approximately 14,000 drivers and passengers, creating a model example of warm, people-oriented services in the industry.

Building an integrated online–offline service network

The Company operates 106 dedicated online communities for truck drivers, covering around 34,000 members, ensuring precise delivery of service information and rapid responses to drivers' needs and feedback.

Smooth Mobility

We take ensuring the all-weather smooth operation of the road network as our mission. In response to challenges such as extreme weather conditions and peak travel periods, we have built an integrated emergency command system, strengthened the "multi-party collaboration along the road " mechanism, and advanced the development of a smart road network. Through these measures, we systematically improve early warning and response capabilities, safeguarding safe and efficient public travel and reinforcing the resilience of critical transportation arteries.

During the Reporting Period

Pavement Quality Index (PQI)

95.11 points

Maintenance Quality Index (MQI) for highway technical conditions

96.72 points

Key Measures to Ensure Smooth Traffic Flow

Multi-dimensional Traffic Assurance System for Holidays

Deploying rescue stations in advance and establishing a drone-based early warning network

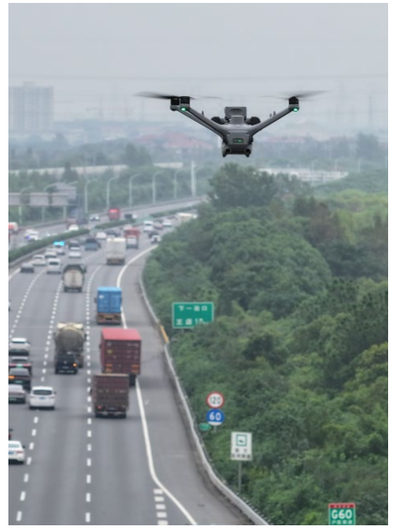
Rescue stations have been moved forward to core congestion-prone sections, while drone patrols have been deployed to shorten incident response times and enhance road safety and traffic efficiency.

Dynamic opening of hard shoulders and installation of intelligent information signage

Hard shoulders are dynamically opened in congestion-prone sections, with real-time traffic information signs installed to relieve congestion and reduce vehicle idling emissions.

Strengthening road network coordination and traffic diversion through parallel roads

By coordinating with parallel road networks to guide traffic flow, the Company helped achieve balanced regional traffic distribution, improving the overall reliability and predictability of travel across the road network.



Drone Deployment

"Online Rescue" Platform Reshapes the Expressway Emergency Assistance Service Ecosystem

Integrated service resources

By integrating rescue, repair, and insurance services, the platform has introduced innovative one-stop service models, including "free direct towing to a repair shop of the driver's choice" and "direct compensation for road damage." These services significantly simplify the traditional rescue and claims process.

Full-process transparency and traceability

The platform records the entire rescue trajectory and service milestones, ensuring transparent and traceable services and effectively eliminating the information barriers that existed in traditional rescue operations.

High-efficiency rescue response

The platform has achieved an industry-leading efficiency standard of "dispatch within 3 minutes and an average rescue completion time of 30 minutes." To date, it has provided more than 480,000 direct towing services, with a customer satisfaction rate as high as 99%.

This model not only significantly enhances the public's sense of safety and travel experience, but also reduces traffic disruption time caused by accidents through rapid clearance, thereby ensuring the overall efficiency and reliability of the road network.

Proactive Planning to Ensure Smooth Public Travel During the Holiday

To prepare for the New Year's Day holiday travel peak in 2026 and potential severe cold wave conditions, the Company carried out a comprehensive deployment across the entire road network in late December 2025. Focusing on the core objective of ensuring smooth traffic flow, the Company implemented several key measures: Improving emergency response plans: Personnel and snow removal equipment were pre-positioned in advance at key sections such as mountainous areas, bridges, and tunnels; Strengthening the "multi-party coordination along the road" mechanism: Enhanced joint operations among relevant agencies to improve collaborative response efficiency; Releasing road condition information promptly through multiple channels, while optimizing services at toll stations and service areas to improve the experience of drivers and passengers.

These measures effectively ensured the overall safety and smooth operation of the road network during the holiday period, enabling the public to travel safely even under extreme weather conditions. The initiative demonstrates the Company's ongoing commitment to operational resilience, safety management, and public service responsibilities.

Upgrading Intelligent Transportation

Intelligence is the core engine driving the development of modern transportation. Through innovative practices such as building an integrated digital platform and deploying a "ground-air integrated" proactive prevention and control system, we have transformed data into safety safeguards and technology into human-centered services, continuously advancing expressway operations toward a smarter, greener, and more resilient future.

- The project "Tunnel Guardian Creates Digital Innovation Technology Integration Demonstration Project for Zhejiang Expressway Tunnels" was recognized as a 2025 Typical Engineering Case for Highway Tunnel Digital Upgrading.
- Winner of the First Prize in the 2025 Highway Transportation Industry Data Element Application Innovation Competition.
- The technology "Smart Lighting System Based on Millimeter-Wave Radar and Event Detection" was recognized as a Second-Level Key Promotion Achievement of the 2025 'Four New Technologies' in Tunnels and Underground Space.

The Company has established a comprehensive intellectual property (IP) management system, coordinating the creation, protection, and application of patents, construction methods, and software copyrights, clearly defined the ownership, usage standards, and confidentiality obligations and established an IP archive database to dynamically manage the entire lifecycle, including applications, authorizations, renewals, and transfers. The Company focused on deploying core technologies in areas such as road maintenance and intelligent transportation, strengthening the protection and commercialization of innovation outcomes and empowering technological upgrades through IP.

The Company strictly abides by laws and regulations such as the Patent Law of the People's Republic of China. Through contracts and terms, it clearly defines IP ownership, confidentiality obligations, and authorization scope, ensuring that the rights and responsibilities of all cooperating parties are well defined. At the same time, the Company strictly manages trade secrets, prohibiting unauthorized disclosure or use, and standardizes trademark licensing to prevent damage to brand reputation. These measures effectively mitigate IP infringement risks and safeguard the legitimate IP rights and interests of all cooperating parties.

As of the end of the Reporting Period

Total cumulative patents

177

In 2025

New invention patents	New utility model patents	New software copyrights
5	**29**	**12**

The Company leverages digital technologies to systematically advance the development of intelligent roads, significantly improving the safety, efficiency, and service quality of road network operations.

Strengthening precision governance

A full-process smart work-order platform covering "complaint reception – case handling – supervision – feedback" has been established, along with a service dashboard for request management. This enables customer requests to be addressed immediately upon receipt, improving the quality and responsiveness of services.

Building a "ground-air integrated" proactive prevention and control system

Technologies such as drones and directional broadcasting devices are deployed to enable active intervention in abnormal incidents. A severe weather emergency command dashboard has also been established, providing a comprehensive visual overview of risks and supporting scientific allocation of emergency resources, thereby enhancing road safety and traffic reliability during extreme weather conditions.

Deepening data empowerment and forward-looking research

The Company has developed dynamic prediction models for rescue response time and traffic flow, supporting scientific decision-making and improving incident response efficiency. It has also innovatively proposed a four-dimensional collaborative governance framework of "people–vehicle–road–regulation", providing a theoretical foundation for future road safety operations.

Smart Digital Network Enhances "Smart Mobility" Services on the Ningbo Section

Since 2025, the Ningbo Management Center has continuously advanced the development of an intelligent road network on the Ningbo section of the Hangzhou–Ningbo Expressway.

Comprehensive intelligent sensing

The first drone management and control system has been deployed and integrated with the "Zhijiang Wise Eyes" detection system, forming an AI-based intelligent sensing network capable of 24/7 monitoring and responding to abnormal events within five seconds, with an average false alarm rate below 2%.

Dynamic traffic control

During peak periods, a pilot intelligent hard-shoulder opening system has been implemented. Through coordinated operation of multiple devices, the system maximizes road capacity and alleviates congestion.

Sunshine rescue services

An online platform integrating "direct link for rescue + direct compensation for road damage" has been established, combining accident rescue, damage assessment, and insurance claims processing. Vehicle owners can track progress in real time and receive compensation without additional procedures, significantly reducing accident handling time and communication costs.

Predictive decision-making capability

The system has shifted from passive response to proactive prediction. Supported by a data middle platform, real-time analysis of traffic flow and accidents is conducted, while information is delivered through electronic information boards and lane indicators, guiding the public to plan routes more efficiently and improving overall travel safety and comfort.

Boosting Industry Collaboration

Supplier Management

The Company continuously improves its supplier management system by deeply integrating ESG principles into the entire procurement process. Through the Supplier Management Measures and the Implementation Rules for Supplier Management, the Company systematically manages supplier admission, supervision, and evaluation. All suppliers are assessed across multiple dimensions, including financial status, quality, delivery capability, compliance, and business ethics. The Company has defined minimum ESG standards for suppliers. Suppliers that violate laws and regulations or business ethics during procurement activities or contract performance—once verified—will be placed on a "gray list" or "blacklist", enabling ESG risk control at the source. In highway maintenance procurement projects, the Company incorporates ESG requirements such as environmental protection, integrity, and human rights protection into legally binding contract terms, guiding and requiring suppliers to fulfill their responsibilities jointly while reducing long-term social and environmental risks in operations.



Environmental protection clauses

Contracts explicitly define environmental protection responsibilities throughout the entire construction process, requiring suppliers to minimize environmental impacts from construction activities.

Integrity agreements

The Company signs Integrity Agreements with suppliers, clarifying anti-corruption responsibilities for both parties and fostering a transparent and trustworthy business environment.

Rights protection

Contract terms clearly stipulate the protection of health and labor rights of supplier employees, safeguarding the legitimate rights and interests of workers.

Anti-Corruption Policy for Suppliers

The Company clearly defines anti-corruption requirements for suppliers and supervises their effective implementation. Under the Supplier Management Measures and the Implementation Rules for Supplier Management, business ethics and integrity are included as key review dimensions in supplier admission, supervision, and evaluation processes. Integrity compliance is also incorporated as a scoring criterion in the supplier evaluation system, with clearly defined bonus and penalty scoring standards, ensuring that anti-corruption requirements are implemented through standardized assessment mechanisms. The Discipline Inspection and Supervision Office oversees integrity conduct throughout the supplier management process, handling and investigating complaints, reports, and violations related to supplier activities.

Industry Participation

The Company believes that well-connected transportation networks are built through collective effort. We actively integrate into the transportation ecosystem, strengthening resource sharing, complementary advantages, and knowledge exchange. Through collaboration and synergy, we aim to improve industry quality, promote long-term cooperative development, and continuously enhance transportation services and management efficiency, contributing to the stable development of the regional economy and society.

Industry-Data Collaboration Empowering Transportation

The Company has strengthened its strategic cooperation with the Hangzhou Data Exchange and the Shanghai Data Exchange, signing a business cooperation memorandum with the Hangzhou Data Exchange to jointly promote the upgrading of data elements empowering transportation industry. At the same time, the Company actively participated in the compilation of Data Industry, published by the Shanghai Data Exchange. As the only transportation enterprise contributing a practical case, the Company provided valuable insights for industry development, effectively promoting the deep integration of data elements with the transportation industry and advancing collaborative innovation and industry upgrading.



"Data Industry"

International Collaboration to Build Bridges

In October 2025, the Company hosted the Asia Regional Working Meeting of the International Cable-Supported Bridge Operators Association (ICSBOA). The event brought together more than 80 bridge experts and representatives from China and abroad to participate in technical sharing sessions and professional discussions. Participants also visited the construction site of the Xihoumen Rail–Road Bridge. The meeting established an international platform for exchange, promoting knowledge sharing and experience exchange in bridge operation and maintenance technologies, and injecting global expertise and innovative momentum into the sustainable development of the industry.



ICSBOA Conference Venue

Green Arteries for Sustainability

Harmonious Coexistence with Ecology

Environmental Sustainability Management 31

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Embedding Green Development 41

Zhejiang Expressway adheres to the principle of harmonious coexistence between humans and nature, actively addresses climate change, comprehensively promotes low-carbon transformation in its operations, continuously improves its environmental management system, strictly controls various pollutant emissions, and systematically builds a comprehensive ecological protection framework.



Environmental Sustainability Management

Sustainable Management of Natural Resources

The Company strictly adheres to relevant laws and regulations, including the Energy Conservation Law of the People's Republic of China and the Cleaner Production Promotion Law of the People's Republic of China, and fully implements systems and processes related to the sustainable management of natural resources and raw materials. By establishing an energy conservation leadership group, the Company coordinates the planning, guidance, supervision, and inspection of energy-saving initiatives and energy efficiency benchmarking, and systematically evaluates the progress of energy consumption reduction to ensure the effective implementation of all measures.

In 2025

Electricity consumption
131,708,900 kWh

Total renewable energy consumption
7,521,500 kWh

Total non-renewable energy consumption
2,965.52
tonnes of standard coal

Total energy consumption
19,152.55
tonnes of standard coal

Direct energy consumption
2,965.52
tonnes of standard coal

Natural gas
32.36
tonnes of standard coal

Gasoline
1,401.94
tonnes of standard coal

Diesel
1,531.22
tonnes of standard coal

Indirect energy consumption
131,708.91 MWh

Purchased electricity
131,708,905 kWh

Energy consumption intensity
0.97 tonnes of standard coal per RMB million revenue

The statistical scope of energy consumption data covers the expressway operation business of the company and its subsidiaries. The types of energy consumed by the company include direct energy (natural gas, diesel, gasoline) and indirect energy (purchased electricity). The calculation refers to GB/T 2589-2020 "General rules for calculation of comprehensive energy consumption", using the physical quantity of energy consumption multiplied by the corresponding standard coal conversion coefficient. Energy consumption intensity = Energy consumption / Operating revenue.

The Company actively identifies opportunities arising from green transformation, focusing on investments in green infrastructure to promote the deep application of renewable energy in the transportation sector. Through projects such as photovoltaic power generation and heavy truck swapping, it effectively enhances resource utilization efficiency and promotes the green development of the transportation industry.

Investment in Green Infrastructure

Photovoltaic Projects

Comprehensive promotion of photovoltaic applications along expressways, making full use of roadside land, interchanges, and service areas. Representative projects include Linjian, Qianbei, Yongzhou, and Dingdai expressways, as well as the Dayin interchange photovoltaic project and low-carbon service area projects in Changxing and Nanxun.

Heavy Truck Swapping Projects

Active deployment of battery-swapping infrastructure for new energy heavy trucks to improve energy efficiency and promote greener freight transport. A pilot project on the Ningbo-Jinhua Expressway has been launched to build an efficient and intelligent energy replenishment network.

Integrated Intelligent Energy Stations

Combining photovoltaic power generation with energy storage technologies, the Company has developed a solar-storage integrated project at Zhoushan toll station, creating an innovative, comprehensive smart energy station. This serves as a benchmark case for green infrastructure at expressway toll stations and provides a model for green energy supply and infrastructure upgrading.

Intensive Land Use Empowering Green Energy Supply

The Company actively invests in green infrastructure such as photovoltaic power generation. In 2025, the Linjian Expressway corridor installed a total of 4.2 MW of photovoltaic capacity, generating 2 million kWh of electricity and reducing carbon dioxide emissions by 2,000 tonnes. Among this, 64% of the green electricity was self-generated and self-consumed. This project made full use of idle transportation-related facilities such as interchange areas, tunnel medians, and toll station rooftops, improving land-use efficiency while enabling green energy supply, with significant energy-saving and emission-reduction benefits.



Yaolin Interchange Photovoltaic Project on Linjian Expressway

Clean Energy Integration Empowering Low-Carbon Transportation

The Zhoushan Toll Station integrated solar-storage smart energy project is a representative example of the Company's high-traffic, low-carbon demonstration corridors. The project integrates toll station infrastructure with local cultural and ecological features, creating a comprehensive intelligent energy station that combines wind, solar, and energy storage, with both aesthetic appeal and strong functionality. The project saves approximately RMB 80,000–100,000 in electricity costs annually and reduces carbon dioxide emissions by 117.75 tonnes per year.



Zhoushan Toll Station Integrated Solar-Storage Smart Energy Project

Building Low-Carbon Expressway Service Areas

The Company effectively reduces carbon dioxide emissions at service areas through measures such as replacing conventional energy with green electricity, upgrading energy-efficient equipment, and implementing real-time energy consumption monitoring. These efforts enable a high level of renewable energy coverage for service area energy use. Among them, Changxing, Nanxun, and Yongkang service areas have been recognized as Zhejiang Province Level II and Level III low-carbon service areas. In 2025, the total installed photovoltaic capacity at Changxing and Nanxun service areas reached 1,118 kWp, generating 1 million kWh annually, saving 125 tonnes of standard coal per year, and reducing carbon dioxide emissions by 60 tonnes annually.



Changxing Low-carbon Service Area

Waste Management

The Company strictly adheres to national environmental protection laws and regulations, including the Environmental Protection Law of the People's Republic of China, the Air Pollution Prevention and Control Law of the People's Republic of China , and the Water Pollution Prevention and Control Law of the People's Republic of China. It has also established and improved the environmental protection management system, and effectively strengthened the monitoring and management of pollutant emissions. The Company has compiled and issued the Comprehensive Management Operational Guidelines, which clearly defines and standardizes the processes and temporary storage methods and locations for solid waste disposal in office areas, so as to ensure effective management and proper handling of all waste and minimize the risk of environmental pollution incidents. During the Reporting Period, no major environmental pollution incidents occurred, and all major pollutants achieved 100% discharge standards.

In 2025

Total waste generated
159,672 tonnes

Total amount of non-hazardous solid waste
159,672 tonnes

Total amount of non-hazardous solid waste treated by other methods
159,672 tonnes

Total exhaust emission
28,007.07 kg

NOX emissions
26,135.04 kg

SOX emissions
39.46 kg

PM emissions
1,832.57 kg

Waste Management Initiatives

Reduction of Emissions

Optimize vehicle usage to minimize exhaust emissions from its operations; Improve vehicle traffic and rescue efficiency to reduce emissions within service areas; Ensure that kitchen exhaust from service area restaurants is effectively treated and meets emission standards.

Compliance with Sewage Treatment Standards

Treat all office and domestic sewage using specialized equipment, ensuring that the wastewater meets standards before discharge. Wastewater from canteen cleaning is processed through grease traps to remove debris and oil, with the remaining wastewater discharged into municipal sewage pipelines.

Effective Noise Reduction

Carry out remediation of noise-sensitive points, and timely repair defects such as bridge expansion joints and pavement potholes to maintain excellent road conditions; Reduce the impact of traffic noise on residents along the route through measures such as using noise-reducing road surfaces, increasing greening and installing additional sound barriers.

General Solid Waste Treatment

Set up fixed storage areas and locations for various types of waste, implement graded and classified management, and give full consideration to resource recycling. Recyclable waste is collected by designated personnel and sold for recycling, while non-recyclable waste is disposed of in office building trash bins and handled by the sanitation department.

Hazardous Solid Waste Treatment

100% of the Company's hazardous solid waste is collected and handed over to professional units for treatment. Hazardous waste such as used lamps, batteries, ink cartridges, and toner drums is collected in specialized containers and regularly recycled by suppliers for proper utilization.

A Low-carbon Innovation Integrating High-efficiency Noise Reduction with Green Power Generation

To address the dual challenges of expressway noise disturbance and energy consumption, the Huzhou Management Center of the Company constructed Zhejiang Province's first mainline noise-reduction photovoltaic sound barrier along the Huzhou East Interchange section of the Shenjiahu Expressway. The project extends for 1,660 meters and adopts double-glass photovoltaic modules to replace the back panels of traditional sound barriers, achieving a noise reduction coefficient of 0.95. In addition, it integrates patented battery technology, with modules reaching a maximum output of 340 Wp, a system efficiency of 18.4%, and an installed capacity of 1,024 kW, generating approximately 867,000 kWh of electricity annually, equivalent to saving about 284.38 tonnes of standard coal. Without requiring additional land use, the project simultaneously upgrades the functionality of conventional sound barriers and enables the production of clean energy. The project pioneers a new low-carbon transformation model for transport infrastructure, leveraging noise-reduction facilities to generate green power while using clean energy to mitigate noise, and provides a replicable technical pathway and practical model for green noise reduction on expressways nationwide.



Noise-reduction photovoltaic sound barrier

Water Resource Management

The Company strictly implements relevant national and local policies on water extraction and usage, takes efficient management and control measures in water resource management, ensures that the water demand of office and operation sites is reasonably met, and actively advocates and continuously promotes water conservation to achieve more efficient use of water resources.

In 2025

Total water withdrawal

0.49 million cubic meters

Total water consumption

0.49 million cubic meters

Water Resource Management Measures

Strengthen Water Conservation Awareness

Post water-saving signs in prominent locations such as office buildings and service areas to remind employees to conserve water, fostering a culture of collective participation.

Develop Water Usage Plans

Create detailed annual water usage plans based on the actual water needs of each office to ensure rational allocation and efficient utilization of water resources.

Enhance Daily Supervision

Conduct regular inspections and monitoring of water usage at all offices. Management personnel perform irregular checks of the water supply network to promptly identify and repair potential leaks, preventing water waste.

Promoting Water- Saving Equipment

Gradually introduce water-saving devices in office areas, such as sensor-activated faucets and water-saving toilets, to reduce unnecessary water consumption.

Multi-dimensional Refined Water Conservation Management

The Company promotes multi-dimensional refined management in its water conservation practices, integrating water-saving concepts throughout daily operations. Leveraging energy conservation publicity week, the Company creates a strong atmosphere for conservation by posting water-saving signs in office areas and public spaces. Meanwhile, it focuses on the operation and maintenance of water-use facilities, conducting routine inspections and rectification of issues such as leaking or dripping taps and valves, and promptly repairing or replacing outdated equipment to prevent continuous water waste at the source. In addition, the Company encourages employees to develop good water-use habits and to remind and supervise one another, internalizing conservation awareness and translating it into daily actions, thereby integrating water-saving management with company-wide participation.



Company Water-saving Sign

Responding to Climate Change

Governance

Relying on a sound multi-level and systematic ESG governance structure and governance mechanism, the Company has formulated a special work programme to continuously improve its governance system in addressing climate change, and developed the Climate-related Governance Structure and Working Mechanism.

Climate-related Work Structure

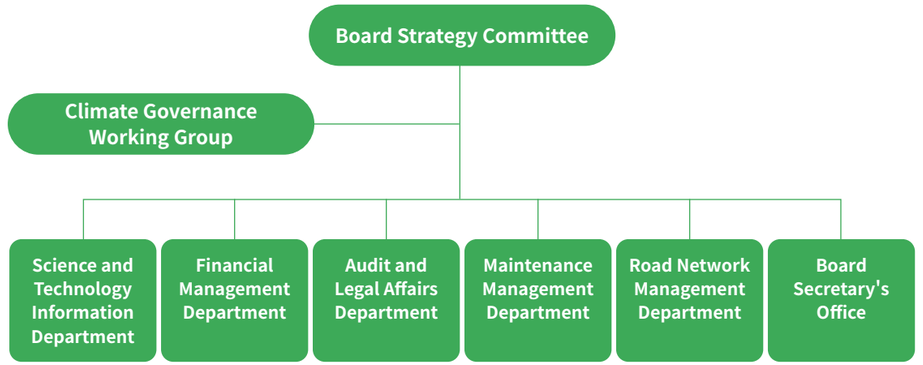
Placing Climate-related Matters under the Jurisdiction of the Strategy Committee

Climate-related matters are incorporated into the jurisdiction of the Strategy Committee of the Board of Directors. The Strategy Committee serves as the Board-level specialized committee responsible for overseeing climate-related risks and opportunities. If necessary, the composition of the Strategy Committee may be adjusted according to professional requirements.

Establishing a Working Group of Climate Governance

A Working Group of Climate Governance has been established to formulate climate-related work plans, including greenhouse gas emission targets, specify responsible departments, completion timelines and specific objectives, and supervise and evaluate the implementation by the respective responsible departments.

The Working Group is headed by the Company's executive in charge of the "carbon peaking and carbon neutrality" initiatives, and its members consist of the heads of relevant departments—primarily the Science and Technology Information Department, Audit and Legal Department, Financial Management Department, Maintenance Management Department, Road Network Management Department, and the Secretarial Office to the Board—as well as other personnel as necessary.



Climate Governance Work Structure

Climate-related Working Mechanism

Regular Review Mechanism

The Working Group of Climate Governance convenes quarterly climate work meetings, at which the relevant responsible departments report on the implementation of climate-related work plans. The Working Group reviews the reported progress, conducts discussions and analysis on the implementation status, and provides timely feedback and appropriate adjustments to subsequent plans.

Governance-level Communication Mechanism

The Working Group submits an annual report on the previous year's work to the Board of Directors. The report includes, but is not limited to, the progress of carbon emission reduction plans, climate-related risks and opportunities, and climate-related financial impacts. The Board of Directors reviews the report to understand and oversee the setting of climate-related targets and the progress of their implementation, and communicates with the Working Group on matters of concern.

Strategy

The Company has actively responded to the "carbon peaking and neutrality" goals by issuing the Carbon Peaking Implementation Plan of Zhejiang Expressway. The Plan sets out clear carbon peaking targets and the "3331" implementation pathway, and identifies nine key tasks focusing on areas such as equipment retrofitting, photovoltaic development, afforestation for carbon sequestration, green maintenance and smart mobility, covering carbon emission reduction at source and in the process, as well as supporting systems. In addition, the Company incorporates climate change-related risks into its enterprise comprehensive risk management, continues to strengthen the dynamic monitoring and disclosure of climate-related information, and continuously improves supporting management and assessment mechanisms, so as to build a solid foundation for addressing climate challenges.

Based on its actual operational conditions, the Company conducts a comprehensive review of potential climate-related risks and opportunities. It continuously optimizes its risk management mechanisms and adopts appropriate management measures for risk factors arising in the course of operations, striving to minimize the potential negative impacts of climate risks on its operations. Meanwhile, the Company actively leverages climate-related opportunities, promotes the implementation of integrated transportation and energy projects, and facilitates the development of its clean energy business.

Risk Type		Risk Impact	Time Scope	Countermeasures
Physical Risks	Extreme weather risks	The significant increase in global extreme inclement weather and the frequent occurrence of landslides, road collapses and other accidents pose significant safety risks to expressway travel. This escalation can complicate traffic management, hindrance clearance, and rescue efforts, necessitating higher investments in comprehensive clearance operations and affecting toll revenues.	Short term	• Introduce advanced geological hazard monitoring technologies, such as slope stability monitoring system, radar remote sensing technology, and real-time meteorological warning platform, to conduct round-the-clock monitoring of high-risk road sections; • Collaborate with meteorological departments and geological research institutions to establish a long-term data-sharing mechanism, obtaining extreme weather information in advance, issuing timely warnings, and taking preventive measures; • Develop specialized emergency plans for sudden events such as landslides and road collapses, clarifying the responsibilities of various departments and enhancing rapid response capabilities; • Implement engineering reinforcements for key road sections prone to landslides or collapses, such as installing additional retaining walls, drainage ditches, and vegetation slope protection, to mitigate the impact of extreme adverse weather.
	Rising temperatures	Rising global temperatures could shorten the lifespan of tangible assets like factories, equipment, and infrastructure, and disrupt supply and distribution chains.	Long term	• Establish an advanced meteorological monitoring system to closely track long-term changes in weather patterns, predict meteorological events, and take preemptive measures; • Adjust the Company's medium- and long-term plans, including road maintenance, construction, and renewal projects, to adapt to climate change trends.
Transition Risks	Policy and legal risks	With the introduction of the "carbon peaking and neutrality" goals and related policies, environmental protection and climate policies are becoming increasingly stringent, and the Company may face stringent concerns from the government and regulatory authorities on emission reduction performance, thereby increasing the Company's operational compliance costs.	Medium and long term	• Stay informed and comply with policies and regulatory requirements issued by domestic and international regulatory bodies, optimizing the Company's internal carbon management framework and policies; • Explore investments in clean energy and green technologies to reduce the Company's greenhouse gas emissions and minimize additional costs; • Monitor and audit carbon emissions during daily operations, regularly reviewing the Company's carbon emission performance and tracing the targets.
	Market risk	With the impact of the economy on climate change, there may be a growing demand from customers for products and services that help mitigate and adapt to climate change. Failure to meet these demands could result in diminished business and customer attrition.	Long term	• Provide diversified transportation services based on changes in customer demand to meet the needs of different customer groups; • Diversify the business investment portfolio, including clean energy, green technologies, and intelligent transportation systems, to address market uncertainties; • Improve the efficiency of resource and energy utilization to re duce raw material costs and resource waste.
	Technological risk	The demand for eco-friendly products and services has intensified, necessitating technological advancements. These upgrades entail significant investments in new technologies and R&D, increasing the operational costs of the vehicles.	Medium and long term	• Incorporate the upfront costs of transitioning to low-emission technologies into financial planning to ensure sufficient budget for technological upgrading and transformation; • Regularly evaluate the benefits of technological upgrading and transformation to ensure a reasonable return on investment in upfront costs.
	Reputation risk	The increased negative feedback from customers and investors on the industry and reduced market expectations as a result of the impact of climate change affect the Company's ability to raise funds.	Long term	• Actively engage in communication and exchange activities with stakeholders such as customers and investors; • Attach importance to and proactively participate in domestic and international sustainable development or green low-carbon initiatives and award evaluations.

Opportunity Type	Opportunity Impact	Time Scope	Countermeasures
Market Opportunity	The gradual development and improvement of the carbon trading market, along with the implementation of the Measures for the Administration of Carbon Emission Trading (Trial), provide guidance for the Company to participate in carbon market transactions.	Medium and long term	Actively participate in the national carbon market trading, rationally allocate carbon assets through scientific carbon emission accounting and management, and strive for more carbon quotas and carbon credit revenues.
	Driven by the "carbon peaking and neutrality" goals, the Company is able to extend its industrial chains, expand clean energy businesses, explore the integrated development of clean energy and transportation system, and build a transportation-energy integration system.	Long term	Seize market opportunities by promoting complementary energy sources and diversified development to advance clean energy businesses, achieving seamless integration of clean energy and transportation system.
Technology Opportunity	The rapid development of intelligent transportation system offers effective solutions to road congestion.	Medium and long term	Vigorously develop intelligent transportation system to improve traffic efficiency and reduce energy consumption.

Risk Management

The Company places high importance on climate risk management and has formulated clear management processes and steps to ensure comprehensive and systematic identification and response to climate-related risks, and has developed a basis for categorization and standardization of climate-related risks, which provides a clear direction for the identification and assessment of climate risks. The Company is committed to continuously enhancing its ability to assess and address climate risks. By employing a combination of qualitative and quantitative methods, it comprehensively evaluates the likelihood of risk occurrence and the extent of impact, more accurately identifies and quantifies potential risks, and formulates effective response strategies to ensure continuous improvement and effective supervision of risk management.

The Company has established and improved a "1+1+N" road safety risk management and control system for the flood season, and compiled the Expressway Flood Season Risk and Hazard Management Manual. It regularly conducts the identification of climate-related risk factors to manage climate risks at the source. For the climate-related risk events identified, the Company implements targeted management measures to ensure that all climate risks are effectively controlled and prevented. Meanwhile, the Company actively promotes the digitalization of climate risk management to enable real-time assessment and analysis of climate risks.

Classification	Location	Specific Location	Extreme Weather	Risk Incidents
Vulnerable Physical Infrastructure	Slopes	High embankments, deeply excavated slopes	Rainstorms, typhoons, persistent rainfall	Slope scouring, collapse, landslides, debris flows, falling rocks
	Slopes	Slopes near rivers or coastal areas	Rainstorms, persistent rainfall	Scouring and erosion, landslides, tilting deformation
	Bridges	Bridges across rivers, sea-crossing bridges, bridges along valleys	Rainstorms and resulting debris flows, strong winds from typhoons or convective weather, large waves	Pier scouring, structural hollowing, ship or foreign object collision
	Bridges	Long-span suspension bridges	Specific wind conditions	Vortex-induced vibration
	Tunnels	Tunnel entrances and exits	Rainstorms, typhoons, persistent rainfall	Water accumulation, rockfall, pavement cracking or settlement, collapse
	Roadbeds and pavements	Mountainous areas, high embankments, road foundations	Rainstorms, typhoons, persistent rainfall, blizzards, freezing rain	Roadbed landslides, potholes, icing
	Ancillary facilities	Culverts, intercepting and drainage ditches	Rainstorms, typhoons, blizzards	Scouring, blockage
		Gantries, road signs and other ancillary facilities	Rainstorms, blizzards, typhoons, freezing rain	Equipment damage, structural instability
Road Sections Prone to Traffic Incidents	Curved road sections		Blizzards, rainstorms, freezing rain	Traffic accidents caused by slippery curves
	Road sections without hard shoulders		Blizzards, rainstorms, freezing rain, low-temperature icing, dense fog	Increased likelihood of chain-reaction accidents
	Long downhill sections		High temperature, blizzards, rainstorms, freezing rain, low-temperature icing	Traffic accidents caused by brake failure

Indicators and Targets

The Company strictly controls carbon emissions, systematically conducts the tracking and monitoring of carbon emissions to ensure the transparency and accuracy of carbon emission data, and effectively advances the implementation and assessment of various energy-saving and carbon reduction targets.

Greenhouse gas total emissions

91,586.79 tonnes of CO_2e

Direct (Scope 1) greenhouse gas emissions

9,160.36 tonnes of CO_2e

Direct (Scope 2) greenhouse gas emissions

69,884.75 tonnes of CO_2e

Direct (Scope 3) greenhouse gas emissions

12,541.68 tonnes of CO_2e

Category 3: Greenhouse gas emissions from fuel- and energy-related activities

7,509.38 tonnes of CO_2e

Category 6: Greenhouse gas total emissions from business travel

37.53 tonnes of CO_2e

Category 7: Greenhouse gas total emissions from employee commuting

4,994.77 tonnes of CO_2e



Overall Carbon Peaking Goals

Targets	Progress in 2025
Phase 1: By 2025, the Company aims to keep carbon emissions from its operational expressways below 37 tonnes per kilometer, and preliminarily establish an energy management and evaluation system. The Company will be at the forefront of the industry in terms of carbon peaking and carbon neutrality practices.	In 2025, the calculated carbon emission intensity of the Company's operational expressway mileage was 38.17 tonnes per kilometer.[1]
Phase 2: By 2030, the Company's carbon emissions will enter a peak plateau, with operational expressway emissions below 36 tonnes per kilometer. The Company will achieve intelligent energy management, build low-carbon expressways, and essentially complete a green, circular, and low-carbon system. This will form a nationally exemplary "dual carbon" management and control system.	The Company has preliminarily established an energy management and evaluation system by formulating the Guidelines for the Evaluation of Low-carbon Tunnels, Guidelines for the Evaluation of Low-carbon Toll Stations, and Guidelines for the Evaluation of Green Data Centers. Meanwhile, it has carried out a low-carbon technology R&D project and achieved a number of phased results, making substantive progress in photovoltaic grid connection, optimization of the energy mix, and improvement of operational energy efficiency.

Note: The actual carbon emission intensity for 2025 were slightly higher than the target of 37 tons/km set in the Company's carbon peaking implementation plan. The main reasons include: first, increased electricity consumption from new equipment of construction projects such as smart highways, the highway cloud data center, and artificial intelligence computing resources; second, the inclusion of sections with multiple tunnels such as Longli-Lilong into the statistical scope. Going forward, the Company will further strengthen green electricity substitution, optimize the electricity consumption structure, and consolidate achievements of direct emission control to ensure steady progress toward the carbon peaking target.

Embedding Green Development

Environmental Compliance

The Company strictly complies with the Environmental Protection Law of the People's Republic of Chinaand the Law of the People's Republic of China on Environmental Impact Assessment, as well as applicable environmental laws and regulations in the locations where it operates. It continuously improves its environmental management system and conducts environmental impact assessments in accordance with legal requirements to ensure compliance in environmental management.

The Company has continuously strengthened the mechanism for cascading environmental responsibilities by embedding performance appraisal, incentives and constraints, and accountability into its environmental management system. Performance-based rewards for management are linked to the achievement of environmental performance targets. In the event of a major environmental incident, or where significant environmental issues are identified during internal reviews, the Company will, depending on the severity of the environmental issue, impose corresponding measures on responsible units and management personnel, including performance veto, financial penalties, or administrative sanctions.

The Company places great importance on emergency management for environmental incidents. It has established environment-related emergency management systems, including the Emergency Response Plan for Road Traffic Incidents, the Emergency Response Plan for "Three-Prevention" Incidents (flood control, typhoon prevention and drought relief), and the Special Emergency Response Plan for Fire Accidents, which clearly define emergency response measures for environmental incidents. The Safety Supervision and Management Department regularly reviews, evaluates, and revises these emergency plans to continuously enhance the Company's preparedness and response capabilities for environmental emergencies and to strengthen the environmental risk prevention and control system.

In 2025

the Company recorded **no** penalties related to environmental pollution.

Green Operation

The Company deeply practices the concept of green and low-carbon and promotes the transition to green office practices through digital empowerment. It has formulated and implemented a series of practical measures for green and low-carbon development as well as energy conservation and emission reduction, systematically advancing the energy-saving and consumption reduction management of office facilities. Meanwhile, it encourages all employees to participate in green and low-carbon operational practices, effectively integrating the concept of sustainable development into the entire process of daily operations.

Integrated Comprehensive Administrative Management Platform

Develop and optimize ten digital office scenarios, including administrative asset management, service acceptance platforms, meeting room management, official vehicle management, and smart seal management, to promote the digitization and standardization of business processes.

Deepening Paperless Office Practices

Vigorously promote paperless office operations and paperless meetings, strictly control the use of printed materials, and encourage double-sided printing to minimize the use of paper in handling documents. Annual paper consumption decreased by approximately 20% compared with the previous year. A total of 136 paperless meetings were organized, effectively saving resources such as paper and business travel.



Standardized Energy-saving Air Conditioning Management

Advocate setting central air conditioners at no lower than 26 ° C in summer and no higher than 20° C in winter, and turning them off promptly when not in use to reduce energy waste.

Enhancing Energy-saving Awareness

Put up energy-saving slogans and signs in office areas and actively promote measures such as turning off power when leaving the workplace, guiding employees to develop good habits of electricity conservation.

Advocating Green and Low-carbon Travel

Promote the implementation of low-carbon plans for official vehicle use and encourage employees to prioritize green travel modes such as public transportation, walking, and cycling in their daily travel, thereby advocating the concept of low-carbon travel.

Green Maintenance

The Company adheres to the concept of intensive, efficient and green development, strengthens research on green maintenance technology, promotes the application of energy-saving and environmentally friendly maintenance technology, and develops relevant documents such as the "14th Five-Year Plan" for Maintenance Management and Development of Zhejiang Expressway.

"14th Five-Year Plan" Target Management Path

Strictly implement contractual requirements for the **100**% recycling of waste asphalt concrete materials (with discounted value incorporated into unit prices of pavement works).

Promote the use of asphalt hot in-place recycling technology, utilize waste materials for courtyard road renovation, subgrade backfill, or sell them for other purposes, achieving **100**% waste material utilization.

Implement dedicated greening projects to improve the surrounding terrestrial environment.

Green Maintenance Initiatives

Actively explore the application of safe, durable, efficient and green maintenance technologies, and promote green maintenance technologies.

Deepen research on pavement material regeneration technologies, pilot the application of plant-mixed hot regeneration and warm-mixed asphalt concrete technologies, increase the use of pavement noise reduction technologies, and trial new safety facilities.

Development of Green Maintenance Bases

During the "14th Five-Year Plan" period, in accordance with the Group's 14th Five-Year Plan for Maintenance Base Development, the Company systematically advanced the construction and upgrading of maintenance bases. It successively completed the relocation, reconstruction, and upgrading of three green maintenance bases in Shangyu, Ninghai, and Zhoushan. Factory-style enclosures were implemented for asphalt concrete production areas such as mixing plants and material storage facilities, basically achieving near-zero emissions of exhaust gases and dust.



Hefu Maintenance and Emergency Support Base, Huzhou



Shangyu Maintenance and Emergency Support Base, Shaoxing



Biodiversity & Land Use

The Company has formulated the Administrative Measures for Maintenance Projects, which specify that full consideration shall be given to the impacts of all stages of construction and implementation on biodiversity. It conducts comprehensive biodiversity impact assessment and strives to minimize disturbances on biodiversity.

For disturbed land, the Company adopts a series of ecological restoration measures and actively carries out habitat restoration efforts to reclaim habitats. Based on land characteristics and ecological needs, it plants native species and develops small-scale ecological water systems to gradually improve the ecological environment of disturbed areas, thereby creating suitable habitats for various species.

Green Construction Initiatives

Environmental Upgrading of Maintenance Bases

Implement enclosed, factory-based operations for mixing plants and carry out the "oil-to-gas" conversion, effectively reducing emissions of wastewater, exhaust gas, and solid waste.

Noise Reduction Initiatives

Install noise barriers along noise-sensitive road sections near villages and towns, and apply noise-reducing pavements to effectively mitigate the impact of traffic noise on nearby residents.

Soil Erosion Protection at the Conical Slope at the Bridgehead of Shijiabang Bridge on the G50 Shanghai–Jiangsu–Zhejiang–Anhui Expressway

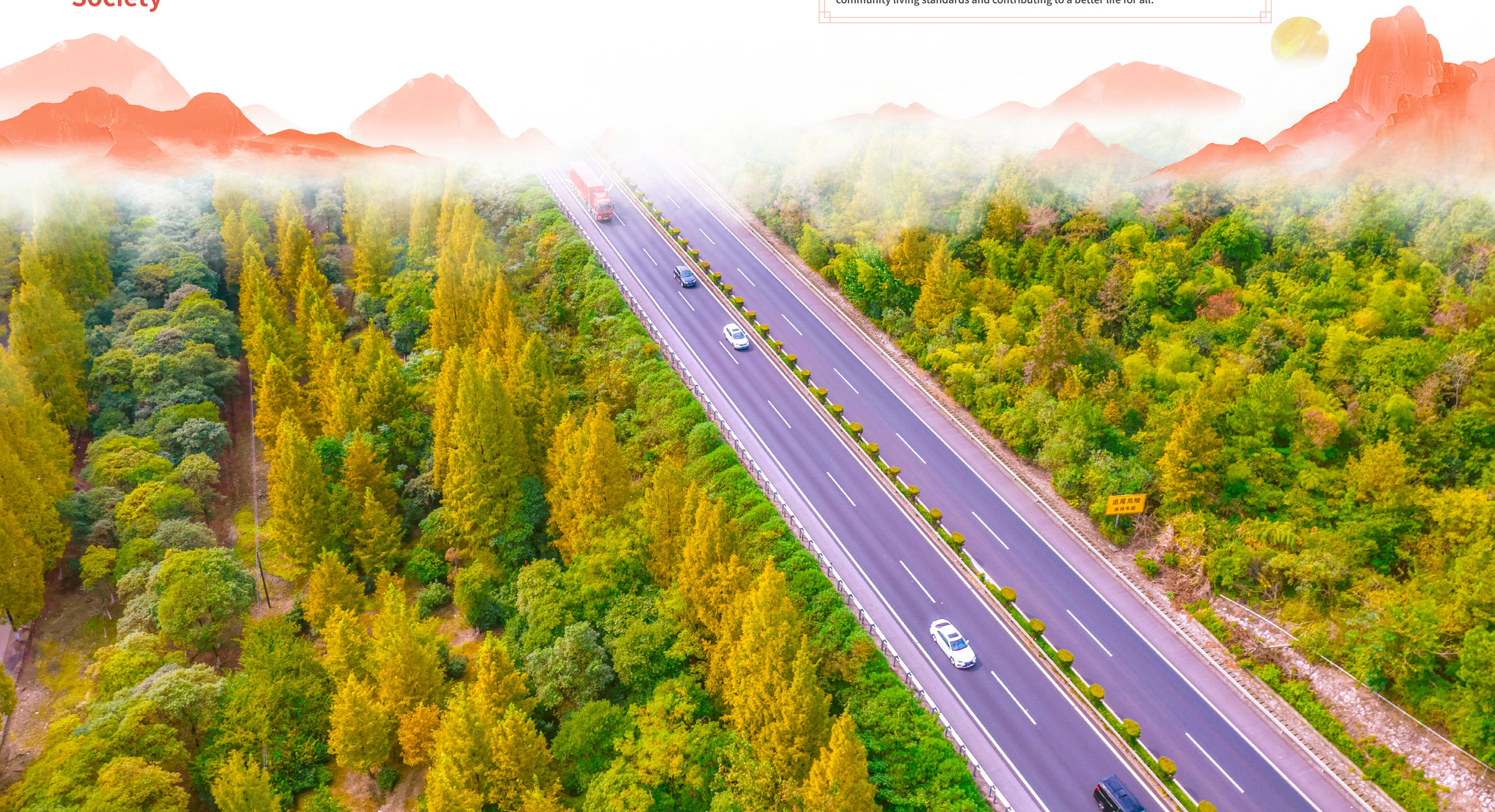
During the maintenance and rehabilitation of the conical slope at the bridgehead of Shijiabang Bridge at the Anhui-bound K156 section of the G50 Shanghai–Jiangsu–Zhejiang–Anhui Expressway, the Company implemented an eco-friendly maintenance approach, strengthening the protection of biodiversity and land use. This location was identified as a structural risk point through a dedicated inspection. While carrying out engineering protection measures such as retaining wall reinforcement, micropiles, and anchor cable frame beams, the Company also conducted turf planting over an area of approximately 80 square meters on the exposed slope beneath the concrete platform capping. Through vegetation restoration, soil erosion was effectively controlled and the ecological vegetation of the slope was restored. This approach ensures both road structural safety and ecological protection along the route, achieving coordinated development between engineering maintenance and land ecological restoration.

Advancing Together with Responsibility to Build a Harmonious Society

Growing Together with Employees 47

Promoting Community Development 55

Adhering to the philosophy of mutual benefit and shared success, Zhejiang Expressway consistently follows a people-oriented development approach, attaches great importance to employees' career development, and fully safeguards their legal rights and interests by providing diversified and sustainable development platforms. At the same time, it actively integrates into community development, ensuring that the benefits of corporate growth are shared with surrounding residents, helping to improve community living standards and contributing to a better life for all.



Growing Together with Employees

Employee Rights and Interests

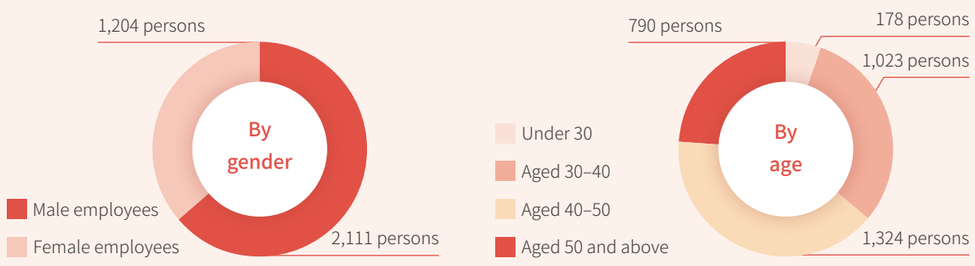
The Company adheres to the principles of human rights protection, improves its compensation and benefits system, maintains open communication channels with employees, and comprehensively safeguards the legal rights and interests of employees, thereby consolidating a people-oriented foundation for sustainable corporate development.

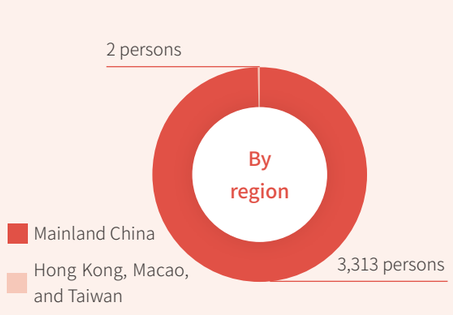
Legal Employment

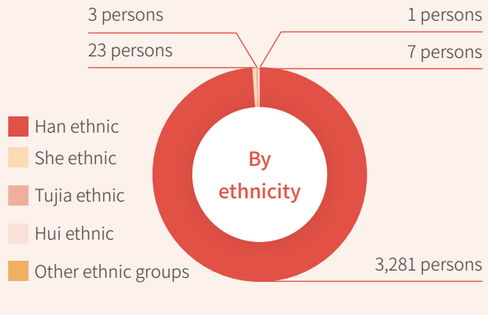
The Company strictly complies with national laws and regulations such as the Labor Law of the People's Republic of China and the Labor Contract Law of the People's Republic of China, ensuring the legal rights and interests of employees in all aspects. It continuously improves regulations including the Company Employee Management Measures, Compensation Management Measures, and Employee Recruitment Management Measures . As of the end of the Reporting Period, the Company had 3,315 full-time employees and 1,280 part-time employees.

The Company adheres to the principle of equal employment and utilizes digital recruitment platforms to develop multi-channel recruitment methods such as campus recruitment, social recruitment, and internal recruitment, providing equal employment opportunities for employees of different genders, ages, ethnicities, religious beliefs, and cultural backgrounds. The Company firmly prohibits the use of child labor and forced labor, and conducts irregular inspections of employment compliance . During the Reporting Period, there were no violations of labor laws or related issues, with zero labor arbitration cases and 100% signing of labour contracts throughout the year.

Employee breakdown

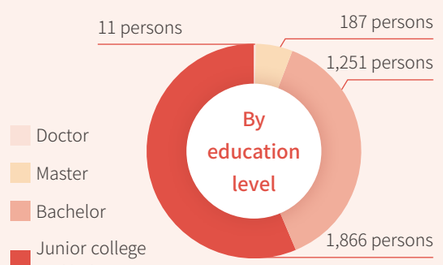






Proportion of local employees (registered residents of Zhejiang Province) **85**%

Employee breakdown



Proportion of female employees

Percentage of female employees in total workforce **36.32**%

Percentage of women in management **32.28**%

Percentage of women in executive management **12.50**%

Percentage of women in middle management **22.90**%

Percentage of women in junior management **33.74**%

The Company formulated the Anti-Discrimination, Anti-Harassment and Human Rights Policy Statement, which clearly sets out the Company's position and commitments with respect to respecting and safeguarding human rights. The Company is committed to fostering a healthy, safe and positive workplace that is diverse and inclusive, ensuring that all employees work in an environment characterized by mutual respect, equality and safety. The Company also strengthens the protection of human rights for employees and stakeholders, monitors the effectiveness of its human rights policy, prevents any infringement of human rights, and actively safeguards and promotes human rights and contributes to sustainable development.

Human Resources-related Grievance Mechanism

The Company treats all informal and formal reports and complaints involving discrimination, harassment or other violations of this policy with seriousness and will take necessary remedial measures. Employees are encouraged to submit complaints to the Human Resources Department or the relevant supervisory departments through various formal reporting channels, including written submissions and face-to-face meetings. Depending on the specific circumstances, the Company will coordinate relevant departments to conduct joint investigations and handle the matter accordingly, while promptly communicating the results to the parties concerned. Where acts of discrimination or harassment are substantiated, the Company will strictly handle the case in accordance with relevant internal policies and impose disciplinary measures such as warnings or other sanctions depending on the circumstances. In serious cases, the employee concerned may be dismissed and the matter referred to the relevant judicial authorities.

Compensation and Benefits Protection

The Company provides employees with competitive working conditions and compensation packages, implements regular performance appraisals and feedback processes for all employees on an annual basis, and offers a long-term performance incentive scheme that combines dedicated investment incentives with the General Manager's Bonus, with incentives granted once a year, ensuring that employees receive fair and motivating rewards commensurate with their contributions.

The Company formulated the Employee Management Measures and the Compensation Management Measures, under which all employees are provided with non-pay benefits such as five social insurances and one housing fund, enterprise annuity, commercial insurance, employee health check-ups, recuperation programs, and holiday gifts. Employees are also entitled to statutory leave, including annual leave, compensatory leave, marriage leave, bereavement leave, nursing leave, parental leave, leave to care for parents, maternity leave, pregnancy leave, breastfeeding leave, sick leave, personal leave, and work-related injury leave . In addition, the Company complies with national regulations on working hours for employees and has introduced a flexible clock-in system based on business needs. Social insurance contributions are made timely and in full, continuously improving the welfare protection system .During the Reporting Period, the Company achieved a 100% social insurance coverage rate for employees.

Employee Communication

The Company has established a democratic management mechanism to facilitate employee participation and encourage suggestions and feedback. Opinions are gathered through forums, democratic evaluations, questionnaire surveys, and on-site visits. A standardized grievance reporting process has been established, allowing employees to express their concerns by filling out the employee grievance form, with the Company committed to responding within three working days.

In 2025

the employee satisfaction reached

91.62%

Employee Satisfaction Survey

The Company conducts employee satisfaction surveys for employees at its grassroots units on a regular annual basis.

Special Employee Survey Campaign

In 2025, guided by a problem-oriented approach and frontline needs, the Company carried out a special campaign of "grassroots research to address challenges" alongside full-coverage questionnaire surveys. It conducted in-depth research across 40 toll station (comprehensive) centers and systematically resolved more than 100 issues of concern at the frontline. At the same time, the Company implemented a special initiative to streamline repetitive and inefficient record-keeping, reducing and consolidating the original 224 registers to 176, eliminating 16 items, and moving 107 items to online reporting, thereby effectively alleviating the burden on the grassroots level.

Health & Safety

The Company continuously improves its occupational health and safety system by formulating the Management Measures for Occupational Health, Safety Education and Training Management Measures, and Labor Protection Equipment Management Measures. It has set occupational health and safety goals, including a zero-fatality target. Health and safety requirements and standards are applied to all employees and extended to supply chain management, with the Board of Directors responsible for health and safety strategy.

The Company deeply integrates its occupational health and safety strategy with business development and steadily advances the development of the "1+4+X" safety supervision system. Through multi-dimensional measures such as risk control, training empowerment, and emergency drills, it has established a full-process risk prevention and control system, achieving a fundamental shift from passive response to proactive prevention and continuously enhancing safety management effectiveness .The Company strictly enforces safety standards through dual internal and external supervision mechanisms, establishes a risk assessment system for emergencies, evaluates risks by using a four-color (red, orange, yellow, blue) grading system, and formulates response and control measures.

Focusing on risk points across all stages of production and operations, the Company has built a full-chain, multi-dimensional occupational health protection system. Through targeted measures, it safeguards employees' physical and mental well-being and effectively protects their occupational health rights and interests. During the Reporting Period, employee health check coverage rate reached 100%.

Occupational Health & Safety Performance

In 2025

Employee Fatalities	Contractor Fatalities	Number of work-related injury incidents
0	0	25

Workdays lost due to work-related injuries	Employee lost time injury frequency rate (LTIFR)
2,227 days	3.8 per million hours worked

Occupational Health & Safety Management Measures

- Provides welfare benefits such as health check-up expenses, childcare subsidies, meal allowances, work uniforms, and other related costs, and offers healthcare protection services to employees through health check-ups and supplementary medical coverage.
- Conducts Occupational Disease Prevention Week activities and purchases accident insurance for employees to safeguard their life safety and physical and mental health.
- Establishes a safety training center, conducting safety operations and emergency response training through various simulated operational scenarios, continuously enhancing employees' safety awareness and emergency response capabilities.
- Equips office areas with the necessary first-aid equipment, places green plants to optimize the work environment.

The Company continues to develop and improve its occupational health and safety training system, deepens the cultivation of a safety culture, fosters a shared understanding of occupational health and safety among all employees, and strengthens the ideological line of defense.

Occupational Health & Safety Training System

Annual training

Conduct annual fire safety training and three-level safety training for new employees (team level, department level, safety department level), covering all employees.

Dedicated safety management personnel

Require dedicated safety management personnel to undergo safety education and training and pass relevant assessments before assuming their posts with certificates. The initial safety training for principal persons in charge and safety management personnel shall be no less than 32 training hours, and annual refresher training shall be no less than 12 hours.

Online training

Continuously carries out the "Cloud-Based Safety" learning program, with over 10,000 cumulative participations in quizzes; established version 2.0 of the "Online Safety Zone," covering 11 application scenarios.

Pre-job training for toll collectors

Ensure all toll collectors receive pre-job training to familiarize them with safety operating procedures.

Human Capital Development

The Company facilitates clear career development pathways, improves a tiered and categorized training system, systematically empowers employee growth, stimulates intrinsic motivation among talent, and fosters a supportive environment for employee development, thereby laying a solid talent foundation for the Company's sustainable development.

Formal Talent Pipeline Development Strategy

Human Capital Development Strategy

Closely aligned with the Company's strategic direction of digital transformation and intelligent expressway operations, we systematically build a human capital development system to ensure that talent supply resonates with business development.

Strategic talent planning and specialized training

We precisely match business needs by conducting specialized digital skills training for key positions in R&D, production, and management, covering areas such as official document writing, data analysis, and intelligent equipment operation. We also organize study visits to leading enterprises to explore cutting-edge technologies and broaden perspectives on intelligent operations.

Management talent reserve program and dynamic training and evaluation mechanism

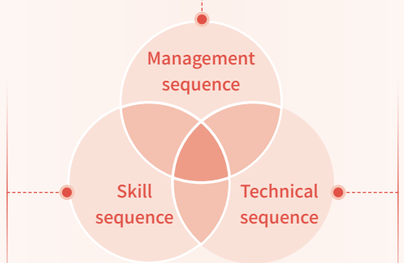
We apply scientific assessment tools to conduct potential evaluations for more than 40 young reserve cadres and identify their management strengths and development potential based on individual career profiles.

Talent Promotion Pathways

The Company adheres to the principle of "right person for the right position". It has revised and improved the Management Measures for Employee Career Development Paths and the Implementation Measures for Selecting and Appointing Middle-Level Managers, thereby establishing a career development system encompassing "management + technical + skills". The Company has clearly defined the corresponding relationships among different sequences and levels, as well as the qualification requirements for promotion. Promotion selection processes are carried out on an annual basis .The Company continues to refine its promotion system, optimise the structure of the cadre, and introduce re-evaluation and elimination mechanisms to motivate employee development. In 2025, the total employee turnover rate was 1.75%, and the voluntary turnover rate was 1.60%.

Three-Track Promotion Pathway: Inter-sequence Mobility and Rank Advancement Within Each Track

- Includes three levels: senior management, middle management, and general management
- Entry criteria: Internal transfers or external recruitment



- Includes five levels: senior technician, chief technician, deputy chief technician, supervisor technician, and assistant technician
- Applicable to non-management contractual staff in four business categories: toll services, electromechanical equipment, road smoothness maintenance, and logistics support.

- Comprises four levels: senior director, director, deputy director, and supervisor
- Applicable to management positions involving professional technical work

Skills and Knowledge Development Training

The Company adheres to the talent development philosophy of "people-oriented, on-demand training", and designs comprehensive succession planning & development programs at multiple levels, including skills and knowledge development training, graduate traineeship, and job-specific development training program. Through a combination of internal and external training approaches, the Company meets the learning needs of employees across different positions and levels, continuously enhancing their overall competencies and capabilities, and providing strong talent support for the Company's development.

In 2025

Total investment in employee training
RMB **4.8603** million

Number of training participants
16,612

Percentage of employees receiving training
100%

Average amount spent on training and development per full-time employee
RMB **1,466.15**

Annual training hours per employee
40 hours

Average training hours per general and technical employee
36 hours

Employee training hours - by job level

Junior employees	Middle management	Senior management
35 hours	60 hours	72 hours

Training Management System

Needs analysis	The Human Resources Department coordinates and analyzes actual needs based on annual plans and departmental recommendations
Training planning	Develop annual plans, aligning with needs and the Group's training requirements, and clarify directions and priorities.
Course design	Partner with educational institutions to develop or deliver joint training programs for staff and to develop or select training courses that meet its operational needs, covering multiple areas such as professional skills, safety and compliance, and corporate culture.
Teacher management	Establish an internal lecturer team, regularly invite external experts to teach, and implement lecturer evaluations to optimize teaching quality, ensuring the professionalism and advancement of training content.
Training implementation	Adopt flexible and diverse training methods such as centralized lectures, online learning, seminars, and mentorship programs to ensure the effective implementation of training programs.
Effect evaluation	Evaluate training outcomes through testing and other methods, and collect feedback.
Record management	Establish comprehensive training records covering all stages to record data at each stage.

Training Formats

Internal courses

Includes project-based and business-related programs, covering areas such as Party-building leadership, business transformation, digital transformation, business enhancement, core business responsibilities, and professional development. Training is delivered through a combination of offline teaching, lectures, and online learning via the internal "Zhiding Classroom" platform, with internal trainers uploading course materials.

External courses

Includes programs aimed at enhancing relevant business capabilities and providing operational guidance. They are delivered by external trainers and supplemented by online courses, adopting a blended online and offline approach.

At the same time, to guide and encourage employees to focus on their positions, pursue targeted self-learning, and achieve professional growth and achievement, the Company has formulated the Incentives for Staff Growth and Achievement. Through policies such as tuition reimbursement, technical title rewards, skill certification subsidies, and special rewards for urgent qualifications, the Company provides support for employees to pursue degrees or professional certifications, thereby motivating all employees to pursue self-improvement and career development.

Graduate Traineeship

Based on its business layout, the Company offers internship positions aligned with its operations to university students, and establishes a support mechanism of "mentor guidance + internship allowance" to precisely cultivate high-potential talent. For graduating students who have signed tripartite agreements, the Company encourages early internship participation to facilitate a smooth transition from campus to the workplace. Through systematic internship training, the program not only provides a practical platform for young talents but also builds a pipeline of high-quality talent for the Company.

Partners with educational institutions to develop joint training programs

The Company collaborates with the Zhejiang Provincial Work Safety Online Academy to conduct the 2025 certification training for safety production management personnel. Adopting a model of "online module learning + offline practical training at designated bases," a total of 34 key management personnel participated. Those who passed the assessment were awarded certificates issued by the Zhejiang Emergency Management Publicity and Education Center. Tailored to the characteristics of expressway operations, the program develops customized courses and leverages collaboration among government, enterprises, and educational institutions to build a professional safety talent cultivation system and strengthen the foundation of industry safety management talent.

The Company also actively participated in the 2025 National and Provincial Highway Pavement Maintenance Engineer Training Program, organized by the Zhejiang Highway and Transportation Management Center and hosted by the Zhejiang Highway Technician College, sending two key personnel to attend. The training focused on core topics such as highway maintenance management, bridge and tunnel monitoring and evaluation, and maintenance project bidding. Through systematic and professional coursework, the program enhances the capabilities of the Company's maintenance professionals, strengthens the talent foundation in highway maintenance, and supports the high-quality development of the industry.

Skills and Knowledge Development Training

To thoroughly implement the requirements for building the "three talent teams," the Company has launched a leadership training program and organized training sessions for young reserve cadres, focusing on improving political awareness, communication and collaboration, business management, and digital innovation capabilities. The program systematically strengthens strategic foresight, professional expertise, and execution capabilities through ideological and political education, management thinking training, benchmarking for digital transformation, and the introduction of the "Ten Million Project" methodology. The training guides participants to establish correct value orientations, master problem-solving methodologies, and effectively consolidate the Company's reserve of high-quality management talent.



Training Program for Young Reserve Cadres

Internal Trainer Training Program

The Company organized internal trainer empowerment training sessions to systematically enhance the capabilities of in-house trainers in expressway enterprises in course development, instructional design, and training delivery. The program focused on integrating teaching methodologies with practical experience. Participants mastered standardized course design processes and interactive facilitation techniques, producing over 20 structured course templates and forming reusable and scalable corporate knowledge assets. After returning to their positions, participants conducted more than 30 internal training sessions, covering over 500 employees, effectively promoting the application of theoretical knowledge and innovative outcomes. The program strongly supports the development of the Company's talent pipeline and organizational capability enhancement, providing a solid human resource foundation for long-term development.



Internal Trainer Empowerment Training Session

Employee Well-being

The Company advocates for a balanced work-life harmony and provides convenience to employees by creating "Staff Home", with facilities such as employee reading room and mother-and-baby room; regularly organizes club activities including calligraphy, painting, and ball games, as well as employee cultural festivals and recuperation programs to help employees relieve work-related stress. The Company organizes annual condolence activities for frontline employees and formulates the Administrative Measures for the Employee Care and Assistance Fund to provide special assistance to those in need .During the Reporting Period, the Company applied for company-level assistance for 9 employees in need, and group-level or superior-unit assistance for 8 employees in need .



Activities for female employees at Ninghai toll station



Employee cultural facilities – Health Huts

Promoting Community Development

Community Relations

The Company attaches great importance to maintaining harmonious relationships with communities along its routes. It proactively identifies local community expectations and needs, and contributes to local development. Prior to project commencement, comprehensive community impact assessments are conducted to identify and minimize potential disturbances. Through diversified measures such as road network planning and innovative design, the Company reduces the impact and disruption of infrastructure construction on the environment and residents' daily lives. It also solicits residents' opinions through multiple channels and provides timely feedback. The Company gives priority to local hiring and promotes the economic and social development of areas along its routes by improving infrastructure , providing convenient services and other programs to support local communities.

Rural Revitalization

The Company thoroughly implements the common prosperity action for "26 counties in mountainous areas," and steadily advances the "poverty alleviation" pairing assistance initiative. Focusing on key areas such as rural industry cultivation, infrastructure improvement, and enhancement of public well-being, the Company continues to inject resources and momentum to effectively strengthen the endogenous development capacity of assisted regions. Through targeted measures and long-term collaboration, the Company delivers tangible support, contributes to rural revitalization and coordinated regional development, and works hand in hand with local residents toward common prosperity.

In 2025

RMB **1.8** million

worth of agricultural products from the "26 counties in mountainous areas" were procured

RMB **0.6** million

worth of agricultural products were procured from Dujiaoyuan Village, Jinshuitan Town, Yunhe County (the Company's pairing assistance village).

Programs to Support Local Communities

To support rural revitalization and increase farmers' income, the "Hui Girls" volunteer service team of the Huangshan Center carried out the "Golden Chrysanthemum for Common Prosperity" targeted assistance initiative in Zhanqi Village, Shexian County. The project innovatively adopted a "contracted cultivation + diversified sales" model. Volunteers were organized to assist disadvantaged farmers in the standardized planting of over 1,000 chrysanthemum seedlings. Leveraging expressway network resources, exhibition and sales points were set up at five toll stations, while online platform sales and employee welfare procurement were promoted simultaneously, forming a "direct-from-field" production and sales system. Meanwhile, ecological planting labels were introduced and a long-term assistance mechanism was established to ensure both product quality and stable sales channels. This initiative effectively alleviated production and sales challenges faced by farmers, and explored a new pathway for rural revitalization that integrates Party building, agricultural support, and business operations.



Volunteers working hand in hand with farmers

Public Charity

The Company actively fulfills its corporate social responsibilities and participates extensively in public welfare initiatives, focusing on key areas such as supporting drivers and passengers and health inquiry support. Through a systematic approach, the Company carries out a wide range of practical and effective public welfare activities and voluntary services. With concrete actions, it conveys social care, demonstrates the responsibility of a state-owned enterprise, and continues to contribute corporate strength to the promotion of social harmony and public well-being.

In 2025

RMB **2** million

donated to the Zhejiang Provincial Sports Foundation

Total public welfare donations amounted to RMB **5.3** million

Total volunteer service hours reached **1,327** hours

255 public welfare projects were carried out

3,041 employee participations in public welfare volunteer activities

Fifteen Years of Commitment to Public Welfare, Delivering Warm and Caring Services

In 2025, the Company's Ningbo office marked its 15th consecutive year of commitment to public welfare, having organized more than 60 volunteer activities to support students in need and provide care for the elderly in local communities. The team also innovated new public-welfare models by acting as "agriculture-support livestream hosts," helping more than 50 local farmers join the "Zhizaixing" platform and facilitating the sale of over 1,900 kilograms of agricultural products. Meanwhile, the office continued to build the "Warm Journey" service brand, providing services to approximately 160,000 drivers and passengers annually. It also launched two distinctive free service initiatives, "Seasonal Kitchen" and "Health Station", through which more than 500 complimentary meals and 80 health check-ups have been provided to date.

Caring Services Safeguard Nighttime Drivers and Passengers

To further implement initiatives supporting truck drivers, the Company's Lin'an Service Center launched the "Midnight Canteen: Warm Meals for the Road" public-welfare program, providing hot meals, warm drinks, and rest services for truck drivers traveling at night. The program has been held for five consecutive sessions. Employees personally prepared specialty foods such as pan-fried buns, meat patties, and steamed buns, while family members also participated in meal preparation to ensure both food safety and a home-style touch. The initiative has received widespread praise from drivers, with many heartwarming moments being spontaneously shared online. This program not only enhances the warmth of expressway services but also demonstrates the Company's active role in fostering a more humane and caring industry environment.

Delivering Coolness in Extreme Heat, Showing Care through Service

In response to persistent temperatures exceeding 40 ° C, the Company's Lin'an Service Center organized the "Summer Cooling Umbrella" volunteer service initiative in August 2025. Targeting outdoor workers such as truck drivers, the program prepared heat-relief supplies including chilled mung bean soup and fresh fruit. A temporary service station was set up in the plaza outside the toll station to provide drivers and passengers with cooling refreshments and safety reminders. The initiative effectively alleviated fatigue caused by high-temperature operations while integrating civilized and caring service into extreme-heat protection efforts.

Looking Ahead

Looking to the future, Zhejiang Expressway will continue to uphold its mission of "making travel better", using the principles of sustainable development to guide both its corporate strategy and daily operations. We will further advance digital transformation and promote the development of intelligent road networks; comprehensively drive the transition toward green and low-carbon operations to support the industry's dual-carbon goals; and continuously extend the warmth of our services to safeguard safe and smooth journeys for the public. We remain committed to building safer, more efficient, and more sustainable transportation infrastructure, and to working hand in hand with all stakeholders to create a better future for mobility.



Performance Table

Governance

Indicator Name	Unit	2023	2024	2025
Corporate governance				
Number of Board meetings	times	14	11	13
Number of special committee meetings	times	7	9	7
Number of shareholders' meetings	times	9	3	3
Number of resolutions considered	items	91	86	42
Information security				
Number of cybersecurity incidents	times	0	0	0
Total number of customers, clients and employees affected by cybersecurity incidents	persons	0	0	0
Innovation and development				
Number of patents granted	items	29	32	34
Anti-corruption and anti-bribery				
Number of corruption-related lawsuits	items	0	0	0
Number of anti-corruption and anti-bribery training sessions	times	3	3	2

Social

Indicator Name	Unit	2023	2024	2025
Supply chain management				
Total number of suppliers	units	1,106	1,080	958
Number of suppliers by region - Mainland China	units	1,105	1,080	957
Number of suppliers by region - Hong Kong, Macao, and Taiwan	units	1	0	1
Total number of tier 1 suppliers [1]	units	139	183	102
Total number of key tier 1 suppliers	units	11	16	19
Expenditure proportion of key tier 1 suppliers	%	12.34	56.30	77.03
Total number of non-key tier 1 suppliers	units	128	167	83
Total number of key suppliers[2]	units	11	16	19
Total number of suppliers via desktop/on-site assessments	units	-	1080	958
Proportion of key suppliers assessed	%	-	100	100
Service quality assurance				
Customer satisfaction rate	%	98.20	98.39	98.71
Customer complaint resolution rate	%	100	100	100

[1]Direct procurement suppliers
[2]Starting from the Reporting Period, the statistical methodology for the "number of key suppliers" has been updated. Historical data for prior years have been retrospectively adjusted based on the new methodology to ensure the validity of year-on-year comparisons.

Indicator Name	Unit	2023	2024	2025
One-hour traffic clearance rate	%	95.87	96.74	95.68
Arrival rate for road network clearance within 20 minutes	%	99.17	99.66	99.66
Arrival rate for road network clearance within 30 minutes	%	99.33	99.67	99.63
Average clearance time for road network incidents	minutes	33.08	30.21	28.10
Number of expressway emergency rescue points	numbers	117	121	114
Annual number of incident clearance operations	times	120,964	130,882	129,208
Employee employment				
Labor contract signing rate	%	100	100	100
Social insurance coverage rate	%	100	100	100
Number of full-time employees	persons	3,428	3,245	3,315
Number of part-time employees	persons	1,461	1,307	1,280
Number of male employees - full-time	persons	2,159	2,040	2,111
Number of female employees - full-time	persons	1,269	1,205	1,204
Number of employees under 30	persons	-	226	178
Number of employees aged 30-40	persons	-	1,033	1,023
Number of employees aged 40-50	persons	-	1,314	1,324
Number of employees aged 50 and above	persons	-	672	790
Number of employees in Mainland China	persons	-	3,243	3,313
Number of employees in Hong Kong, Macao, and Taiwan	persons	-	2	2
Number of employees in other regions	persons	-	0	0
Number of Han ethnic employees	persons	-	3,209	3,281
Number of She ethnic employees	persons	-	25	23
Number of Tujia ethnic employees	persons	-	4	3
Number of Hui ethnic employees	persons	-	3	1
Number of employees from other ethnic groups	persons	-	4	7
Number of employees of other nationalities	persons	-	0	0
Number of employees with doctoral degrees	persons	-	9	11
Number of employees with master's degrees	persons	-	158	187
Number of employees with bachelor's degrees	persons	-	1,095	1,251
Number of employees graduating from junior college and below	persons	-	1,983	1,866
Percentage of female employees in total workforce	%	-	37.13	36.32
Percentage of women in management	%	-	35.09	32.28
Percentage of women in senior management	%	-	12.50	12.50
Percentage of women in middle management	%	-	21.50	22.90
Percentage of women in junior management	%	-	37.09	33.74
Percentage of women in non-management staff	%	-	37.96	38.18
Percentage of employees with high sense of well-being[3]	%	-	90.11	91.61

[3] This indicator is part of the Company's "Grassroots Burden Reduction Satisfaction Survey".

Indicator Name	Unit	2023	2024	2025
Employee satisfaction rate	%	-	88.72	91.62
Employee turnover rate				
Overall employee turnover rate	%	-	2.99	1.75
Voluntary employee turnover rate	%	-	2.99	1.60
Junior employee turnover rate	%	-	3.91	2.22
Mid-level employee turnover rate	%	-	1.87	3.05
Senior employee turnover rate	%	-	25.00	0
Male employee turnover rate	%	-	2.60	1.52
Female employee turnover rate	%	-	3.65	2.16
Employee turnover rate under 30	%	-	1.77	4.49
Employee turnover rate aged 30-40	%	-	0.97	0.59
Employee turnover rate aged 40-50	%	-	1.22	0.83
Employee turnover rate aged 50 and above	%	-	10.12	4.18
Occupational health and safety				
Number of employee deaths due to work[4]	persons	1	2	0
Number of contractor deaths due to work	persons	0	0	0
Number of work-related injury incidents[5]	times	42	27	25
Rate of work-related deaths[6]	%	0.03	0.06	0.00
Number of working days lost due to work-related injuries	days	3,766.00	2,854.57	2,227.00
Employee lost time injury frequency rate (LTIFR)	/	0.61	0.42	3.80
Supplier lost time injury frequency rate (LTIFR)	/	0	0	0
Employee training				
Total investment in employee training	RMB 10,000	761.90	717.90	486.03
Number of training participants	persons	10,069	15,878	16,612
Coverage rate of employee training/ development pro grams	%	100	100	100
Average training hours per full-time employee	hours	8.70	34.20	40.00
Average training hours per general and technical employee	hours	36.00	25.00	36.00
Average training hours for junior employees	hours	46.00	33.00	35.00
Average training hours for mid-level employees	hours	56.00	59.00	60.00
Average training hours for senior employees	hours	56.00	56.00	72.00
Average amount spent on training and development per full-time employee	RMB	2,222.58	2,212.33	1466.15
Public welfare				
Total volunteer service hours	hours	40,357.00	48,955.00	40,200.00
Number of public welfare projects	cases	59	62	255
Number of employee participating in public welfare volunteer activities	persons	1,023	1,112	3,041

[4]Explanation: In 2023, a contract-based driver unfortunately passed away due to a sudden heart attack while driving a shuttle bus to transport toll collectors after their shift, despite rescue efforts. In 2024, one contract-based rescue worker tragically lost his life while handling a traffic accident, and another contract-based rescue worker experienced dizziness and discomfort at a rescue scene and, despite medical intervention, passed away. Following these incidents, the Company actively assumed corporate responsibility, fully cooperating with medical treatment, work-related injury identification, and aftercare arrangements, while also providing full care and support to the families of the employees.

[5]The Company will continue to monitor employee work-related injuries, optimize management practices, and reduce the frequency of such incidents.

[6]Calculated as number of employees injured or died due to work-related reasons / total number of full-time employees) * 100.

Environment

Indicator Name	Units	2023	2024	2025
Environmental compliance management				
Fines/penalties related to environmental pollution	RMB10,000	0	0	0
Energy management				
Total energy consumption	tce	13,055.77	16,819.50	19,152.55
Total non-renewable energy consumption	tce	2,406.00	2,989.60	2,965.52
Total renewable energy consumption	10,000kWH	259.00	557.03	752.15
Electricity consumption	10,000kWh	8,543.00	11,658.00	13,170.89
Installed capacity of photovoltaic power stations	MW	8.70	8.70	16.30
Annual electricity output of photovoltaic power stations	10,000kWh	283.70	491.20	1,192.00
Waste management issues				
Total waste generated	tonnes	235,372	177,951	159,672
Total waste incinerated with energy recovery	tonnes	0	0	0
Total waste incinerated without energy recovery	tonnes	0	0	0
Total waste treated by other methods	tonnes	222,514	164,182	159,672
Total waste with unknown treatment methods	tonnes	12,858	13,769	0
Water resources management [7]				
Total water consumption	million cubic meters	0.57	0.70	0.49
Total water withdrawal (excluding seawater)	million cubic meters	0.57	0.70	0.49
Climate change				
Total greenhouse gas emissions	tonnes of CO_2 e	58,269.30	74,780.00	91,586.79
Direct (Scope 1) greenhouse gas emissions	tonnes of CO_2 e	9,549.80	11,470.96	9,160.36
Indirect (Scope 2) greenhouse gas emissions	tonnes of CO_2 e	48,719.50	63,308.91	69,884.75
Indirect (Scope 3) greenhouse gas emissions	tonnes of CO_2 e	/	/	12,541.68
NOX emissions	kilograms	20,464.66	26,871.36	26,135.04
SOX emissions	kilograms	31.44	88.86	39.46
PM emissions	kilograms	1,422.79	1,862.96	1,832.57

[7] The Company's water usage only includes municipal water and does not include seawater. There is no drainage other than sewage.

Indicator Index

Indicator index of stock exchange

Level		Description of Indicators	Location
A. Environment			
A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	P33-40
	A1.1	The types of emissions and respective emissions data.	P33-40
	A1.3	Total volume of hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P33; P61
	A1.4	Total volume of non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P33; P61
	A1.5	Description of emission target(s) set and steps taken to achieve them.	P33-40
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and description of reduction target(s) set and steps taken to achieve them.	P33-34
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	P31; P35
	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).	P31; P61
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P35; P61
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	P31-33
	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.	P35
	A2.5	Total volume of packaging materials used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A
A3: Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	P31-36
	A3.1	Description of the significant impact of business activities on the environment and natural resources and the actions taken to manage the same.	P31-44
B. Society			
B1: Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	P47-54
	B1.1	Total workforce by gender, employment type (full-time or part-time), age group and geographical region.	P59
	B1.2	Employee turnover rate by gender, age group and geographical region.	P60
B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	P49
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	P60
	B2.2	Lost days due to work injury.	P49; P60
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P49-50

Level		Description of Indicators	Location
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	P51-54
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management, etc).	P60
	B3.2	The average training hours completed per employee by gender and employee category.	P52; P60
B4: Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to preventing child and forced labour.	P47
	B4.1	Describe measures to review recruitment practices to avoid child labour and forced labour.	P47
	B4.2	Describe the steps taken to eliminate the situation if a breach is identified.	P47
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	P27
	B5.1	Number of suppliers by geographical region.	P58
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	P27
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P27
	B5.4	Description of practices used to promote the use of environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P27
B6: Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	P21-25
	B6.1	Percentage of total products sold or delivered subject to recalls for safety and health reasons.	N/A
	B6.2	Number of products and service-related complaints received and how they are dealt with.	P22-23; P59
	B6.3	Description of practices relating to preserving and protecting intellectual property rights.	P25
	B6.4	Description of quality assurance process and recall procedures.	N/A
	B6.5	Description of policies on consumer data protection and privacy, and how they are implemented and monitored.	P18
B7: Anti -corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	P15
	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.	P15; P58
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	P15-16
	B7.3	Description of anti-corruption training provided to directors and staff.	P15; P58
B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	P55
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	P56
	B8.2	Resources contributed (e.g. money or time) to the focus areas.	P55-56; P60

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Verification Statement

中国质量认证中心
CHINA QUALITY CERTIFICATION CENTRE

Independent Assurance Statement

To: Stakeholders of Zhejiang Expressway Co., Ltd.

China Quality Certification Centre Co., Ltd. (CQC), commissioned by Zhejiang Expressway Co., Ltd. (hereinafter referred to as Zhejiang Expressway), conducted the independent assurance of Zhejiang Expressway 2025 Environmental, Social and Governance (ESG) Report (hereinafter referred to as the ESG report).

Zhejiang Expressway was responsible for collecting, summarizing, analyzing, and disclosing the information and data mentioned in the ESG report. CQC implemented report verification within the scope specified in the agreement with Zhejiang Expressway.

This statement was based on the assurance activities conducted on the ESG report prepared by Zhejiang Expressway in accordance with the Environmental, Social and Governance Reporting Guide, and Guidance on Climate Disclosures of the Hong Kong Stock Exchange and GRI Standard of the International Sustainability Standards Board. Zhejiang Expressway is responsible for the authenticity, accuracy, and completeness of the report content.

Scope of Assurance

The key data and information disclosed in the ESG report.

Basis for Assurance

AA1000 v3, Type 2, Moderate Assurance

Assurance Methods

The methods used in this assurance include but are not limited to:

a) Report review;

b) Interviews;

c) Verification of documents, records, certificates, bills, and other materials;

d) Trusted information source verification;

e) Verification against disclosure basis;

f) Recalculation/estimation; and

g) Confirmation of statistical, calculation/estimation processes.

Limitations

■ This assurance was conducted using sampling methods based on quantitative and qualitative risk analysis and the sampling scope was limited to the data and information selected in the ESG report, not fully tracing or independently recalculating all raw data of Zhejiang Expressway.

■ This assurance only covered interviews and/or document review with Zhejiang Expressway, and did not involve external stakeholders.

■ The data and information audited/verified by a third party in the ESG report were not subject to repeated verification during this assurance process.

■ Some of the data and information in the ESG report cannot be compared and verified through independent sources. This assurance only evaluated their reasonableness.

■ Activities outside the scope of information disclosure were not included in this assurance.

■ The statement regarding the position, viewpoints, goals, future development directions, and commitments of Zhejiang Expressway was not included in this assurance.

Statement on Independence and Verification Capability

China Quality Certification Centre Co., Ltd. (CQC) is a third-party certification body with independent legal status, possessing professional qualifications and experience in providing in this assurance process, and possesses the technical capabilities and industry-specific knowledge required to conduct ESG/ESG report assurance, in compliance with the requirements of AA1000 Assurance Standard v3 for an assurance provider. The assurance team is composed of experienced AA1000 Practicing Certified Sustainability Assurance Practitioners (PCSAP), CCAA (China Certification and Accreditation Association) registered quality, environment, energy, occupational health and safety, compliance, anti-bribery and other management system auditors and APSCA (Association of Professional Social Compliance Auditors) registered auditors.

CQC ensured that there were no conflicts of interest with Zhejiang Expressway and its stakeholders during the assurance process of this report. All information in the ESG report was provided by Zhejiang Expressway. CQC and the personnel conducting this assurance of the ESG report were not involved in the preparation process of the ESG report.

Assurance Conclusions

The ESG report reflects the ESG performance of Zhejiang Expressway in 2025, which meets the requirements of AA1000 v3 and AA1000AP:

Inclusivity: Zhejiang Expressway has identified both internal and external stakeholders, including shareholders/ investors, government/ regulatory authorities, customers, employees, suppliers/ partners, and community public. In the report preparation process, the expectations and needs of stakeholders have been considered.

Materiality: Based on the analysis process of identifying double importance issues, combined with policy guidance, industry trends, and internal and external stakeholder research, Zhejiang Expressway formed a list of ESG material issues for this year, and the importance ranking of the issues is confirmed.

Responsiveness: Zhejiang Expressway has established a governance structure, management system and processes, as well as a communication mechanism with stakeholders, capable of taking action to respond to the material issues of high impact on Zhejiang Expressway and its stakeholders.

Impact: Through quantitative or qualitative methods, or a combination of both, Zhejiang Expressway has disclosed the main impacts on itself and its stakeholders in terms of ESG.

Specific performance information: Based on the process and results of this assurance, we have not found any deficiencies in the reliability and quality of key data and information in the ESG report.

Recommendations

The specific opinions regarding the assurance of this report have been communicated to the management of Zhejiang Expressway in written form and will not be further elaborated in this section.

AA1000
Licensed Report
000-366/V3-M0QAM

President of CQC:

March 25, 2026

Beijing, China

Note: In case of any inconsistency or discrepancy, the Chinese version of this assurance statement shall prevail, while the English translation is used for reference only.

Reader Feedback

We attach great importance to the views of our stakeholders. Should you have any comments or suggestions, please feel free to contact us through the following channels. Your feedback will help us enhance the Company's ESG performance and further improve the disclosure of ESG information.

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