



光大綠色環保 Everbright Greentech

Stock Code: 1257

(Incorporated in the Cayman Islands with limited liability)



2023
SUSTAINABILITY REPORT

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FEEDBACK

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

COMPANY PROFILE

China Everbright Greentech Limited (“Everbright Greentech” or the “Company” or together with its subsidiaries, the “Group”) is a professional environmental protection service provider in China, with its businesses focusing on integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation, solar energy and wind power. It was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 8 May 2017 (stock code: 1257). Upholding its philosophy of leading the way through business innovations, Everbright Greentech took a pioneer role to introduce integrated urban and rural waste treatment project in Mainland China. Currently, the Company has its business coverage spanning across 15 provinces, autonomous region and Hong Kong Special Administrative Region (“Hong Kong”) in China, and spreads far to Germany.

With strong support from China Everbright Group Limited (“China Everbright Group”) and the controlling shareholder, China Everbright Environment Group Limited (“Everbright Environment” or “CEEGL”, a company listed on the Stock Exchange, stock code: 0257), and leveraging on its own extensive experience in the development and operation of diversified project portfolio as well as robust market expansion capability, the Group will continue to follow the instruction to be “Prudent, Proactive and Practical”, bearing in mind its initial commitment and mission as it strives incessantly to become a leader in China’s environmental business sector.

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





BUSINESS OVERVIEW

The Group is principally engaged in the businesses of integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation, solar energy and wind power. As of 31 December 2023, the Group had 139 environmental protection projects with a total investment of approximately RMB30.713 billion and had undertaken 59 environmental remediation projects with a total contract amount of approximately RMB1.608 billion.

During the period from 1 January 2023 to 31 December 2023 (the "Reporting Year"), the Group secured 20 new projects and entered into 1 supplementary agreement for biomass heat supply, involving an additional total investment of approximately RMB532 million and environmental remediation projects with a total contract amount of approximately RMB299 million. Such new projects included 1 integrated biomass utilisation project, 9 solar energy projects and 10 environmental remediation projects. In terms of project scale, the installed capacity for solar power generation was increased by 100 MW, while the designed capacity for steam supply were increased by approximately 657,000 tonnes per annum.

INTEGRATED BIOMASS UTILISATION

The Group's integrated biomass utilisation business mainly utilises biomass raw materials to generate both electricity and heat. This includes the construction and operation of biomass direct combustion power generation projects, biomass heat supply project, biomass electricity and heat cogeneration projects, waste-to-energy projects and integrated biomass and waste-to-energy projects. Biomass raw materials are categorised into yellow culms and grey culms. Yellow culms consist of agricultural residues, such as wheat straw, rice straw, corn straw, rice husks, peanut husks, etc.; while grey culms consist of forestry residues such as branches, barks and other manufacturing wood wastes, etc. In addition, the Group has developed a unique business model of urban-rural integration combining the construction of integrated biomass utilisation projects and waste-to-energy projects for integrated treatment of agricultural and forestry residues and rural household wastes in a pioneering attempt at treatment of the ecological environment in county areas.

As of 31 December 2023, the Group had a total of 55 integrated biomass utilisation projects, distributed variously in 10 provinces in China, which were mainly located in Anhui Province, Jiangsu Province, Shandong Province, Hubei Province and Henan Province, etc, including 52 projects in operation and completed construction, 2 projects under construction and 1 project under preparation. Such projects provided an aggregate power generation designed capacity of 1,069 MW, an aggregate annual biomass processing designed capacity of 8,139,800 tonnes, and a daily aggregate household waste processing designed capacity of approximately 11,610 tonnes.



HAZARDOUS AND SOLID WASTE TREATMENT

The Group is principally engaged in the safe treatment and integrated utilisation of wastes including general industrial solid wastes, hazardous wastes and infectious animal carcasses. The Group is capable of safely disposing of 44 out of 46 categories of hazardous wastes listed in the National Catalog of Hazardous Wastes. Currently, the Group conducts the disposal by way of incineration, landfill, physicochemical treatment and integrated utilisation. We have been exploring different operating models to enhance the effectiveness of waste treatment in a steady transition towards an industrial environmental service provider.

As of 31 December 2023, the Group had a total of 51 hazardous and solid waste treatment projects, including 43 projects in operation and completed construction, 3 projects under construction and 5 projects under preparation, involving a total investment of approximately RMB11.658 billion. Such projects were distributed variously in 8 provinces and autonomous region in China, which were mainly located in Jiangsu Province, Shandong Province, Anhui Province, Hubei Province, Zhejiang Province, etc., providing an aggregate annual processing designed capacity of approximately 2,466,000 tonnes.





ENVIRONMENTAL REMEDIATION

The Group's environmental remediation business covers mainly the restoration of industrial contaminated sites, restoration of contaminated farmland, ecological restoration for mines and landfills, treatment of industrial gas emission, integrated treatment of oil sludge, treatment of river and lake sediments and industrial sludge, construction and operation of wetland parks, environmental stewardship services and anti-seepage at landfill sites. The business is vigorously fostering cooperative alliances with business ecology platforms to achieve innovation and breakthrough in the environmental remediation business model.

As of 31 December 2023, the Group had undertaken 59 environmental remediation projects and had 17 environmental remediation projects under implementation, which were mainly located in Jiangsu Province, Anhui Province, Zhejiang Province and Hubei Province respectively, with a total contract amount of approximately RMB708 million. There were also 1 project in the preparatory stage, with a total contract amount of approximately RMB78 million.



SOLAR ENERGY AND WIND POWER

Apart from the Feng County County-wide Advancement Solar Project, as at 31 December 2023, the Group has 21 solar energy projects in operation and completed construction and 2 wind power projects in operation located in Jiangsu Province, Anhui Province, Shanxi Province, Hong Kong and Germany respectively, involving a total investment of approximately RMB1.45 billion and providing an aggregate power generation designed capacity of 132.82 MW.

As at 31 December 2023, the Group's Feng County County-wide Advancement Solar Project included 17 subsidiary projects involving total investment of approximately RMB132 million with an aggregate power generation designed capacity of 19.96 MW, of which 9 projects had commenced operation with an aggregate power generation designed capacity of 18.23 MW · 1 project under construction with an aggregate power generation designed capacity of 100 kW, and 7 projects under preparation with an aggregate power generation designed capacity of 1.63 MW.





CORPORATE CULTURE



Core Values

Passionate, Quality-driven,
Distinctive, Innovative,
Principled, Reputed,
Vibrant, Accountable



Corporate Mission

Devoted to Ecology and
Environment for a
Beautiful China



Corporate Vision

Create Better Investment
Value and Undertake More
Social Responsibility

CORPORATE CULTURE



Home Culture

To foster at Everbright Greentech a cradle for growth, a support for the pursuit of dreams and shelter for rest for every employee in Everbright Greentech, a "Heartwarming Home" based on the ideal of "One Everbright".



Sunshine Culture

To build a sunshine workplace ecosystem underpinned by an ethos of mutual appreciation and forbearance that provides robust support as Everbright Greentech takes on new challenges.



Culture of Undertaking

To quest for "First-rate Quality and Excellence" with a venturesome spirit and forge first-rate enterprises, products and management.



Business Culture

To drive corporate development on the basis of modern business culture and ethics to ensure that Everbright Greentech becomes a well-trusted and respected enterprise in market competition as well as cooperation.



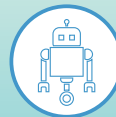
Safe
Production



Green
Recycling



Stable
Supply



Technological
Development



Employee
Development

MESSAGE FROM THE CHAIRMAN



In 2023, global climate governance entered into a critical stage whilst China also underwent an important year in its journey towards “carbon peaking” and “carbon neutrality” (“Dual Carbon”). To drive the achievement of the “3060” Dual Carbon goal, the State Council has published the “Working Guidance for Carbon Dioxide Peaking and Carbon Neutrality in Full and Faithful Implementation of the New Development Philosophy” and “Action Plan for Carbon Dioxide Peaking Before 2030”, while a number of state ministries and commissions have also issued important guiding documents, such as “National Plan for the Construction of Carbon Peaking Pilot Projects” and “Guidelines for Establishing Carbon Peaking and Carbon Neutrality Standards”, in a bid to strengthen practical actions in sophisticated implementation of the national strategy of actively addressing climate change. Under the wise leadership and strong support of Everbright Group and CEEGL, the Group has continued to “reinforce principal businesses and drive transformation” and actively addresses opportunities and challenges arising from climate change in close tandem with national strategic requirements, bringing into full play its ability as an environmental company to facilitate carbon reduction as it tracks the path of high quality and sustainable development in a resolute manner.



Ready to ride on the trends with unwavering commitment and dedicated endeavours. At present, as China is actively involved in the global initiative to govern climate change in ongoing advancement of the building of a beautiful China, “pollution reduction, carbon reduction, green expansion and growth” have become the major overtones of the nation’s development. As a company specialised in the businesses of environmental protection and renewable energy, the Group continued to be deeply engaged in its principal operations during the Reporting Year, whilst making meticulous effort in business innovation and transformation to ride on market trends. On the back of its existing business models, the Group conducted in-depth research on other means of biomass and hazardous waste recycling while exploring the application of smart energy storage and virtual power plant, as it closely monitored green electricity green certificate trading as well as developments in Chinese Certified Emission Reduction (“CCER”), seizing opportunities for development arising from global climate change and striving to consistently refine and strengthen its principal businesses whilst exploring new directions for business development. In the meantime, the Group continued to make constant efforts in energy conservation and carbon reduction, pollution reduction and water conservation, as it vigorously advanced energy conservation and energy mix optimisation, strengthened management of water resources and waste water, as well as enhanced waste recycling through a variety of means to further bolster project operation management and improve operational efficiency.

Mindful of potential crises that lie ahead and conduct ourselves with an astute awareness. As climate change has brought about challenges to various extents for the survival and development of enterprises, climate-related risk control has become a rudimentary task for enterprises. As such, the Group has incorporated ESG-related risks into its corporate risk management regime, making further inroads in Taskforce on Climate-related Financial Disclosure (“TCFD”) work during the Reporting Year on top of the initiative of CEEGL with specific reference to the characteristics and conditions of the Group’s own business development. Through scenario analysis, the Group will gain insight into the impact of climate-related risks on various aspects of the Group’s business and ensure that a genuine awareness of climate-related risks is fostered at all levels of the Group, seeking to further upgrade the Group’s risk management standard while considerably enhance its information disclosure in connection with climate change. The Group will continue to review the effectiveness of its measures to control risks associated with climate change, in order to ensure ongoing optimisation of its control strategy.

Looking to the future, the Group will continue to uphold its corporate pursuit of “Create Better Investment Value and Undertake More Social Responsibility” on its journey to sustainable development, seizing any opportunities in tandem with the trend in association with its stakeholders, fulfilling its corporate responsibility and commitment while driving corporate development in a pragmatic manner to support the nation’s qualitative development by helping to build a high-quality ecological environment.

MESSAGE FROM THE CEO

In 2023, the Group continued to roll out its ESG initiatives in tandem with its 5 principal strategic pillars for sustainability: Safe Production, Green Recycling, Stable Supply, Technological Development and Employee Development according to the specific objectives set for each of these strategies, as ESG principles and practices were further incorporated into its day-to-day operation and management to fulfill its corporate culture and forge a solid foundation for the Company's long-term development.

In line with its strong emphasis on staff health and safety, the Group continued to make improvements to the development of its occupational health and safety management regime in an ongoing effort to enhance safe production. To achieve its goals in safety management, the Group built a comprehensive safety management working mechanism through the standardisation of safe production and the development of a dual preventive mechanism. At the same time, the Group continued to enhance its safety culture, fortifying awareness for safe production and improving the professional capabilities in safe operation on the part of all staff through the means of training, contest and inspection, among others, while relevant training and inspection covered the associates' personnel providing services at the sites. With an equally strong emphasis on the improvement of its capabilities in disaster response, more effort was devoted to disaster emergency drill during the Reporting Year in a bid to consistently enhance the ability to prevent and handle situations of disasters. To further mitigate occupational risks, the Group continued to strengthen information-based development in connection with safety management. Currently, development of the smart safety defense system has been set on course, with a view to expanding its scope of application following successful trial runs.

As well as a hallmark of the Group's business, green recycling also represents a direction in the Group's further development. Whilst the Group's principal businesses are able to "transform waste into valuables" which would contribute to the development of the circular economy, the Group also seeks to reduce pollution and carbon emission on a continued basis through pathways such as conversion works aimed at achieving ultra-low emission, stepping up with solid waste management, low-carbon project construction and the construction of in-house solar power facilities, as well as the pursuit of low-carbon business innovation; increase its resource utilisation rate with the aid of in-depth research on integrated utilisation of biomass ash, hazardous waste recycling and "sustainable landfill" model, among others; and implement the principles of circular economy in an in-depth manner by advancing business transformation and strengthening energy and water resource management. Meanwhile, the Group has published relevant policies in connection with the protection of natural capital (including biodiversity) in close tandem with international developments in ESG policy in an effort to raise concern for the Group's impact as well as dependence on natural capital with a top-down approach, whilst actively exploring risks and opportunities associated with the nature-related agenda.

On the back of its outstanding ability in project operation and management, the Group continued to maintain safe and stable production and reliable power supply at its power plants during the Reporting Year, whilst other environmental projects also reported safe and stable operation with ongoing provision of premium environmental services, making contributions as a corporation to the stable operation of the local economies and communities. To ensure the stable operation of its projects, the Group continued to improve its supplier management system and the processes for screening, selecting, supervising, assessing and communicating with suppliers, with a view to safeguarding stable supply. In the meantime, to address challenges arising from climate change, the Group paid close attention to the key sections of its supply chain as measures were actively adopted to enhance its climate resilience.



During the Reporting Year, the Group conducted its technology research and development (“R&D”) in close tandem with the theme of green and low-carbon. The Group’s effort was focused on efficiency enhancement and reducing energy consumption and emission, as outstanding results were reported in proprietary technological upgrades for ultra-low emission at biomass projects. In connection with technology innovation, the Group was actively investigating new business models as it advanced research on numerous fronts, such as distributed heat supply technology and biomass-based energy, among others. During the Reporting Year, a research project entitled “Integration and Application of Technology for Soil and Underground Water Restoration at Typical Polluted Industrial Mine Sites”, in which the Group’s subsidiary Suntime Environmental Remediation CO., Ltd was a participant, garnered a Class II Technological Progress Award presented by the China Petroleum and Chemical Industry Federation (CPCIF).

The Group values its employees as the most precious assets of an enterprise with a strong emphasis on opportunities for employee growth and development and has offered to employees trainings for a variety of vocational skills, such as safety skills, operational skills through live drills and general administration and management, among others. In terms of protecting employees’ interests, the Group has been consistently making improvements to employees benefits and provided comprehensive health protection plans, on top of remuneration packages commensurate with median market levels. Committed to the recruitment of talents with diverse skills, the Group has endeavoured to foster a diverse workplace underpinned by harmony and inclusivity for employees from different gender, racial, cultural or professional backgrounds, and has also launched a lot of meaningful initiatives to listen to the voice of employees and care for their emotional as well as physical well-being.

Thanks to its tireless effort, the Group’s ESG performance once again won the recognition of various institutions in 2023: “Corporate Governance Special Mention” under the Non-Hang Seng Index (Small Market Capitalization) Category in the Best Corporate Governance and ESG Awards 2023 presented by the Hong Kong Institute of Certified Public Accountants, “EcoChallenger” certificate and “Low-carbon Pledge and 5 Years + EcoPioneer” logo in the “BOCHK Corporate Environmental Leadership Awards 2022” jointly organised by the Federation of Hong Kong Industries and Bank of China (Hong Kong) for the fifth year in a row and “Annual Partner” from Plan International Hong Kong Partner Awards Ceremony 2023, among others.

Looking to the future, the Group will continue to devote intensive effort to the environmental sector, enhance its corporate governance standards through ESG, and consistently drive the transformation towards green and low-carbon business to make greater contributions to the alleviation of global climate change. Based on comprehensive analysis on the macro landscape, policy background and sector market, the Group has formulated its future business development strategy:

On top of its integrated biomass utilisation business, the Group will coordinate the waste-to-energy projects within the system and develop new businesses such as distributed solar power, energy storage and virtual power plant. The Group will construct a range of “Zero-carbon Industry Parks” with the aid of digital technologies and develop a nationwide green electricity trading platform. Meanwhile, the Group will also conduct active investigation of high-valued biomass utilisation, such as biomass gasification, biomass preparation of green methanol, among others, to facilitate the transformation of the biomass plants in the long term. The Group is committed to becoming a leading operator of green energy and “Zero-carbon Industry Parks” and the largest biomass green electricity trade operator in China.

The Group will continue to focus on its existing hazardous and solid waste treatment projects, enabling more effective utilisation of existing resources to increase project efficiency by adopting measures to enhance the coordination and coupling ability of the existing projects and improve quality and efficiency. The Group will further enhance our project servicing capability to complement upstream enterprises in the regions it serves with sound services, while monitoring opportunities for recycling relating to the extension of local industries, with a view to delivering greater value for upstream enterprises. The Group's focus will be on new technologies and business forms that offer strong synergy and relevance to our existing businesses, such as ash recycling, integrated utilisation of waste salt, waste mineral oil and integrated utilisation of waste emulsified liquid, in an ongoing effort to deepen integrated utilisation. Meanwhile, we will coordinate the ash recycling business within the system to pursue large-scale development of the ash recycling business, with the aim of growing into a leading enterprise in industrial hazardous and solid waste treatment in China.

The Group will focus on the parent company CEEGL's as well as its own waste-to-energy projects, making intensive effort to identify resources available from the locations of the waste-to-energy projects while focusing on the expansion of its existing landfill restoration service, on the basis of which new energy business engineering projects relating to solar energy and energy storage, among others, will be developed. The Group aims to develop its environmental remediation business segment into a leading provider of environmental remediation services in the domestic landfill business sector and to develop into an integrated engineering enterprise.

As an important participant in and contributor to the development of China's ecological civilisation and climate change mitigation, the Group will closely follow the ESG development trend to enable its further development and expansion of its green and low-carbon business. With the guidance and support of Everbright Group and CEEGL, we will continue to seek progress in a prudent manner and leverage our flexible and resilient operating capabilities to deliver greater value to our stakeholders.








ABOUT THE REPORT

REPORTING YEAR AND SCOPE



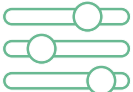


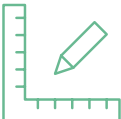
This Sustainability Report (the “Report”) relates to the Group’s sustainability strategy, major performance and future development directions for the Reporting Year. During the Reporting Year, the Report continued to focus on the operations of the Group’s integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation, solar energy and wind power. The environmental and social key performance indicators (“KPIs”) will cover the Group’s headquarters in Hong Kong, Shenzhen and Changzhou, and projects over which the Group exercised operational control. Compared to the 2022 Sustainability Report, this Report covers 7 more projects and one more office. Details of the business segments are set out in “Company Profile” on pages 2 to 7 of this Report. For further information on the Group, such as its performance in corporate governance and financial performance for the year, please refer to the Company’s annual report 2023 (the “Annual Report”).

REPORTING STANDARDS AND PRINCIPLES

This Report for the Reporting Year was prepared in accordance with the Environmental, Social and Governance Reporting Guide (Appendix C2 to Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”)) and was made reference to the Global Reporting Initiative Sustainability Reporting Standard (“GRI Standards”). In preparing this Report, the Group has also adhered to the following reporting principles: stakeholder inclusivity, sustainability context, materiality, completeness, accuracy, balance, clarity, comparability and consistency, reliability, timeliness and quantitative measurement.

Principle	Description	Response of the Group
<p>Stakeholder inclusivity</p> 	<p>The report should explain how stakeholders have been identified and how their views and expectations have been addressed.</p>	<p>The Group understood stakeholders' views and suggestions through events of communication with stakeholders during the Reporting Year and its reporting is primarily based on such input. The Group has screened its major stakeholders in a responsible manner according to the principles of responsibility, influence, proximity, dependence and representativeness. For details of stakeholder engagement, please refer to pages 29 to 32 of this Report.</p>
<p>Sustainability context</p> 	<p>The report should illustrate the entity's performance in a broader sustainability context.</p>	<p>In reporting various sustainability issues, the context of the industry, region and the world have been taken into consideration, taking into account the Group's own sustainability strategies, risks, opportunities and goals.</p>
<p>Materiality</p> 	<p>The report should reflect the notable economic, environmental and social impact of the entity, or areas which have a substantial impact on stakeholders' evaluation of and decisions regarding the entity.</p>	<p>Sustainability issues that are highly material to the stakeholders and that have a material impact on the Group has been identified based on the nature, mode of operation and location of the Group's business as well as the outcome of communication with stakeholders.</p>
<p>Completeness</p> 	<p>The report should explain in reasonable detail the scope and timing of the impact of material issues identified.</p>	<p>The impact of all material sustainability issues for the Reporting Year has been evaluated and reported on.</p>
<p>Accuracy</p> 	<p>The report should provide sufficiently accurate and detailed information to facilitate stakeholders' evaluation of the performance of the entity.</p>	<p>The Group's internal control and vetting procedures have ensured the accuracy and reliability of all information.</p>



Principle	Description	Response of the Group
Balance 	The entity should prepare the report in an impartial manner and ensure clear explanation of both positive and negative impacts, so that stakeholders may reasonably evaluate its overall performance.	In the preparation of this Report, while the discussion of the achievements in ESG has been emphasised, the Group has also provided descriptions of difficulties encountered and their solutions.
Clarity 	The report should present information clearly for ease of stakeholders' understanding and access.	This Report has been presented in a manner easily comprehensible and accessible by stakeholders who have a certain degree of knowledge of the Group and its businesses.
Comparability and consistency 	The report should disclose information in a consistent format, so that stakeholders can analyse and evaluate the performance of the entity during different periods. The entity should provide explanations in respect of any change in the methods of disclosure.	Past KPIs and information have been presented to enable stakeholders to compare performances on a year-on-year basis.
Reliability 	The report should explain the manner in which the information has been collected, recorded, edited, analysed and reported, so that stakeholders can confidently review its quality and truthfulness.	This Report has presented information with clarity without any intention to mislead or deceive, and has been endorsed and approved by the board of directors of the Company (the "Board") on 15 March 2024 by recommendation of sustainability committee. This Report has also been validated by a third-party institution.
Timeliness 	Regular reporting should be conducted to furnish stakeholders with timely information, so that they can make informed decisions.	This Report has presented general information on the Group's economic, environmental and social impacts during the Reporting Year with clarity.
Quantitative measurement 	The report should disclose KPIs in measurable terms.	Quantitative information has been furnished wherever practicable.

PROCESS OF REPORT PREPARATION AND DESCRIPTION OF DATA

The preparation process for this Report for the Reporting Year had no difference from that of the Sustainability Report 2022, follows the process from the identification of materiality issues and report drafting to the verification of reported information. The details are as follows:



The Group undertakes that all information and data¹ collected has been extracted from the Group’s internal documents and statistical reports, and has been approved by internal control and vetting procedures. Data analysis has been conducted in accordance with relevant local or international guidelines and standards, such as the estimation of greenhouse gas (“GHG”) emissions of projects according to computational methods approved under the Clean Development Mechanism² (“CDM”). All data set out in this Report have been rounded except for integers.

VERIFICATION OF REPORT

The Board considers sustainability an important part of its corporate development strategy, and the Report has been approved by the Board on 15 March 2024. In addition, to ensure compliance with relevant reporting standards, the Report has been independently audited and verified by the Hong Kong Quality Assurance Agency. The verification statement is set out on page 124 of the Report.

¹ The key performance indicators in this Report have been computed and reported on an Operating Basis.

² A flexible mechanism for GHG reduction defined in the Kyoto Protocol under the United Nations Framework Convention on Climate Change. Its methodology provides the basis for the determination of baselines and project boundaries as well as the computation of GHG emission data such as the volume of emission reduction and cost efficiency of emission reduction, among others.



OVERVIEW OF SUSTAINABILITY PERFORMANCE

ECONOMIC PERFORMANCE

Total assets:
HKD **39.757 billion**

Total revenue:
HKD **7.417 billion**

Total number of projects: **198**
(including **59** environmental remediation projects)

Total investment:
RMB **30.713 billion**
Environmental remediation service amount:
RMB **1.608 billion**

ENVIRONMENTAL PERFORMANCE

Clean energy

Integrated utilisation of agricultural and forestry waste:
8,063,515 tonnes

Household waste:
3,262,144 tonnes

General industrial solid waste:
363,166 tonnes

On-grid electricity:
6,212,922 MWh,

Steam:
3,116,400 tonnes

Hot water:
102,714 GJ

Solar and wind power generation installed capacity:

226.74 MW³

On-grid electricity:
285,407 MWh³

Aggregate CO₂ equivalent emissions offset: **3,008,867** tonnes

Hazardous and solid waste treatment

Detoxified treatment of hazardous and solid waste:
409,766 tonnes

Integrated utilisation of hazardous and solid waste:
85,942 tonnes

Sales of recycled products:
21,436 tonnes

³ Excluding distributed solar energy facilities in the Group's plant sites.

SOCIAL PERFORMANCE

Employees getting regular performance and career development review:

100%

Employee enrollment in safety and occupational health training:

27,154

Suppliers signing the Sunshine Declaration:

100%

PERFORMANCE IN GOVERNANCE

No material cases of complaints against corruption received⁴

No concluded material litigation relating to corruption⁴

Party Committee officers signing the Self-Disciplinary Undertaking on Probity:

100%

HONOURS

“Corporate Governance Special Mention” under the Non-Hang Seng Index (Small Market Capitalization) — Hong Kong Institute of Certified Public Accountants

“Outstanding Contribution to Environment Award 2022” in the first KPMG China “Future • ESG” Awards

“Best in ESG Awards — Main Board — Small Market Capitalisation” — BDO Limited

“EcoChallenger” — Federation of Hong Kong Industries and Bank of China (Hong Kong) Limited

“Annual Partner” — Plan International

⁴ Complaints and litigation against the Group and its employees during the Reporting Year.



PROMOTION OF SUSTAINABILITY DEVELOPMENT



SUSTAINABILITY GOVERNANCE

Sustainability governance structure

As the highest governing body, the Board is responsible for developing and maintaining the governance practices of the Group, including matters relating to sustainability. The Company has established a Sustainability Committee and formulated its terms of reference, specifying that the Committee should assist the Board in the discharge of its duty to supervise the management and effectiveness of the Group's sustainability work. The Group's sustainable development/ESG-related matters have covered the issue of addressing climate change and climate-related issues.

To ensure smooth execution of various sustainability policies and measures across all business segments and units, 3 working groups have been established under the Sustainability Committee: Operation Management Working Group, Employment and Investment Working Group (formerly as Employment and Community Investment Working Group), and Compliance and Risk Working Group. The members of the 3 working groups will report to the committee members at the Sustainability Committee meeting on the implementation of strategies and goals in different areas. The Sustainability Committee held 2 meetings during the Reporting Year.

To ensure that the Board, committees and departments are equipped with suitable skills and capabilities, the Group has actively sought the assistance of external advisors and the provision of relevant training has been arranged by the Company Secretary to make sure that the Group is able to identify sustainability risks and opportunities and incorporate the same into its formulation of strategies, under the direction of which sustainability practices will be adopted.



Assessing and determining risks and opportunities faced by the Company (including climate-related risks and opportunities), formulating relevant management directives and supervising the effectiveness of work accomplished, assuming overall responsibility for the Company's ESG strategies and reporting.



Sustainability Committee

Comprising the Chief Executive Officer and 3 independent non-executive Directors to assist the Board in the performance of its duties, review the Company's ESG policy, monitor the conduct of the Company's ESG work and report to the Board on a regular basis.

Nomination Committee

Assesses on an annual basis the necessary know-how and skills that the Board is required to possess, including financial skills and experience that the Board should have to understand financial risks that might directly be caused by risks associated with climate change, such that the Board is capable of exercising supervision over ESG issues.

Audit and Risk Management Committee

Incorporates ESG-related risks into the corporate management framework and monitoring the ESG-related risks of business operations.



Implements the Company's respective responsibilities in environment and safety, social and human resources, and governance and risk management matters and reports to the committees, comprises of the Company's staff in different positions.

Operation Management Working Group: Operation Management Department: Environmental Management Department, Technology Research Department

Employment and Community Investment Working Group: Administration and Human Resources ("HR") Department (Hong Kong and Shenzhen Headquarters), Procurement Management Department, Finance Management Department (Hong Kong and Shenzhen Headquarters), Investment Development Department






Compliance and Risk Working Group: Company Secretarial Department, Risk Management Department, Internal Audit Department, Integrity Management Department, ESG Specialist



Responsible for management and implementation of relevant ESG issues in their respective scopes of duties; responsible for implementing relevant ESG practices and ESG data reporting and collection within their respective scope of duties.



With the assistance of various Board committees, the Board discusses and/or considers ESG-related matters from time to time. During the Reporting Year, the following tasks have been completed:

-  Review of the Company's resources relating to ESG performance and reporting, including the qualifications and experiences of employees and training programmes undertaken by employees and related budgets, so as to ensure that the Company is committing sufficient resources to support related management work.
-  Review of ESG-related risks and opportunities and ensuring effectiveness of our risk management and internal control system. Understanding any change in the frequency at which ESG-related risks occur and its impact on the Company through the analysis of risk incidents.
-  Review of the 2023 Sustainability Report of the Company and its related tasks, as well as the progress of climate-related financial information disclosure projects.
-  Review and approval of the Environmental, Social and Governance (ESG) Data Management Measures and ESG Data Collection Guide and reviewed the 2023 ESG data quality audit.
-  Review and approval of the Nature-related Policy, the details of which are set out in Green Recycling on pages 80 to 84 of this Report.

To clarify the roles and responsibilities of various departments at the implementation level in tasks such as ESG information disclosure, ESG agenda implementation and management of ESG-related risks (including climate-related risks), among others, the Board reviewed and approved the Notice Regarding Adjustments to the Membership of the Sustainability Working Groups during the Reporting Year, providing a solid foundation for the conduct of subsequent ESG work in a systematic manner.

To advance the formulation of a carbon neutrality timetable, the Group was strongly focused on data quality, as it published relevant data management measures and data collection guide during the Reporting Year to provide uniform standards and reliable bases for the reporting of ESG data. Meanwhile, a process comprising ESG specialist audit, audit by the Internal Audit Department and audit by external advisors and the validation agency has been established to further enhance data accuracy, consistency, comprehensiveness and traceability.

Sustainability Risk Management Regime

Everbright Greentech has adopted a model of three-tier defense for risk management. The Board and the Audit and Risk Management Committee own full responsibility for tasks relating to risk management, while the risk management principals at the business centres, project companies and engineering command department, Risk Management Department and Internal Audit Department form the three lines of defense, each being responsible for different tasks.



The Everbright Greentech risk management regime has set the management objective of “Ensuring the Realisation of the Company’s Strategic and Operational Goals” and the management vision of “Overall Compliance, Minimise Weaknesses, Manage Uncertainties and Optimise Performance-based Management”. In addition, the risk appetite has been reasonably customised based on the 6 dimensions of “Investment, Finance, Engineering Construction, Operation, Reputation and Human Resources” through prudent market expansion and operational management and guided by the Group’s medium- to long-term strategic goals, while established quantitative early warning values and limit values through financial indicators and non-financial indicators, in an ongoing effort to optimise the effectiveness of internal control and enhance our ability to counter and control risks.



The Group has further improved its corporate risk management regime to incorporate ESG risk management, with a strong emphasis on the prevention and alleviation of climate-related risks. During the Reporting Year, the Group conducted scenario analysis with reference to the TCFD framework to specify the impact of climate-related risks and opportunities on the Group's business operation, with a view to gaining sophisticated progress in the identification and assessment of risks and opportunities to provide guidance over resource allocation in future risk management. For details, please refer to "Addressing Climate Change" on pages 36 to 45 of this Report.

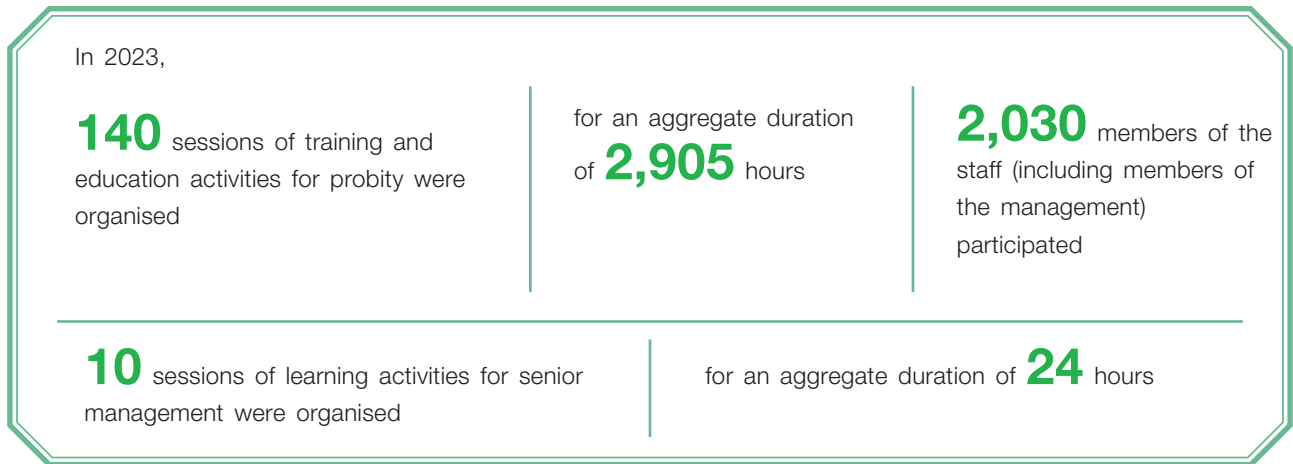
Business Ethics

In strict accordance with the Anti-Unfair Competition Law of the People's Republic of China, United Nations Convention against Corruption, the Prevention of Bribery Ordinance of Hong Kong and other pertinent laws and regulations, the Group prohibits improper business conduct such as fraud, corruption and bribery and electronic compromise, among others, and emphasises that no employee is allowed to use their job positions to pursue bribery, blackmailing, fraudulent acts and money laundering in accordance with CEEGL's Anti-corruption, Anti-bribery and Anti-money Laundering Policy and the Group's Code of Corporate Conduct (Trial). Whether in Mainland China, Hong Kong or elsewhere, all Executive Directors and employees should comply with the provisions of pertinent laws, rules and regulations and are forbidden to demand, accept or offer any bribes from or to any persons in the conduct of the Company's business. In accordance with the Measures for the Administration of the Submission of Gifts, employees should turn in any gifts or souvenirs offered by individuals or enterprises engaged in business transactions with the Group and refuse any unreasonable hospitality to avoid compromising their business judgement.

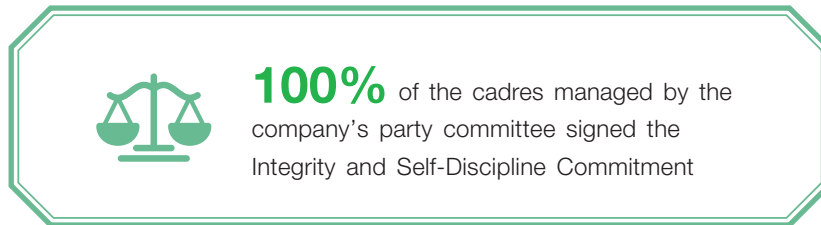
The Group is committed to maintaining a high standard of integrity and strong determination in driving anti-corruption initiatives with zero tolerance for corruption and embezzlement and prohibits corruption and bribery in any form. Accordingly, a range of rules and regulations against corruption and bribery have been announced and implemented, while the relevant regulations of the parent company CEEGL are also being strictly implemented. For details, please refer to "Appendix 2: List of Important ESG Policies" on pages 127 to 129 in this Report. The Group has always been committed to the development of a culture of probity and self-discipline, as it seeks to further enhance staff aptitude in business ethics through staff training so as to ensure integrity in business operation. To introduce renewed ethos underpinned by probity and compliance, the Group organised the learning of the Eight Principles of the Central Government for all staff during the Reporting Year, as well as visits to the Anti-corruption Education Base in Luohu, Shenzhen and Shenzhen Prison for staff in Mainland China, including a number of officers, as a form of admonitory education and training.



In addition, the Group made use of the online training materials developed by the Hong Kong Business Ethics Development Centre during the Reporting Year to provide training in clean business practices for Board members.



The Group has also adopted regulations requiring the avoidance of family affiliations and interests, namely, all executive Directors and employees (including direct family members and their employers) should avoid conflict of interests between individuals and the Company, and should abstain themselves from activities involving individuals and their associated parties, such as procurements and tenders, investments, business transactions and personnel appointments, and should strictly comply with regulations pertaining to avoidance of family members in employees appointment.



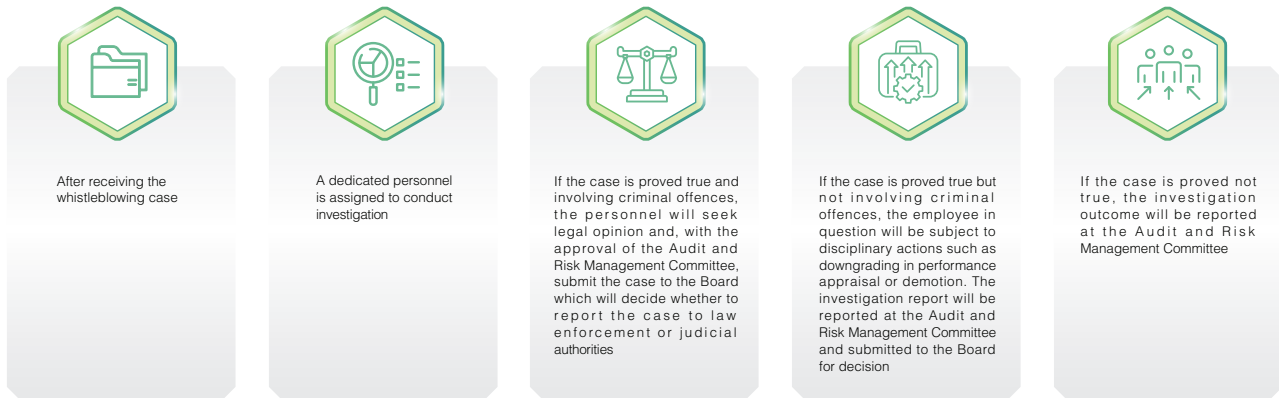
Whistleblowing Policy

To ensure orderly business operation, promote health development of the enterprise and enhance internal control, the Group formulated its Whistleblowing Policy during the Reporting Year to help internal and external stakeholders (including employees, investors and suppliers) to report existing or suspected possible illegal or improper conduct. Whistleblowing reports can be sent to report@ebgreentech.com via email or 36/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or West Wing, 27/F, Oriental Xintiandi Plaza, No. 1003 Shennan Avenue, Futian District, Shenzhen, China by mail. The information of these channels are also available from the corporate website, Staff Handbook, intranet, sustainability report and annual report. The Group also explains the whistleblowing methods in detail to new employees to protect their rights and obligations. The Group undertakes to protect the personal privacy of whistleblowers and provides a reporting mechanism for whistleblowers and personnel involved in the investigation of whistleblowing cases to protect them from jeopardising behaviours such as harassment, threats or bullying or unreasonable negative performance reviews. In addition to the Whistleblowing Policy, the Group has also established a Integrity Management Department to supervise and investigate illicit acts of management officers and employees to ensure fairness in the exercise of authority and prevent any behaviour that violates ethical codes.



Whistleblowers should report to the Company in accordance with the Group’s Whistleblowing Policy if they become aware of existing or suspected possible illegal activities or inappropriate conduct or practices. During the Reporting Year, the Group received reports on 1 case through the aforesaid whistleblowing channels. According to the investigation findings, such case was unfounded and did not involve any misconduct, fraudulent activities or malpractices concerning the Group and therefore no further action was required.

Whistleblowing procedure



In 2023,





No major corruption-related complaints occurred, and **No** major concluded lawsuits regarding corruption


SUSTAINABILITY STRATEGY

Everbright Greentech endorses the Sustainable Development Goals (“SDGs”) of the United Nations and is committed to eliminating poverty and alleviating inequality, and the building of a more peaceful and prosperous society by 2030. We are of the view that 10 SDGs are most relevant to Everbright Greentech’s sustainability strategy.



<p>Safe Production</p> 	<p>3 GOOD HEALTH AND WELL-BEING</p> <p>Sound health and well-being To ensure healthy lifestyles and promote the well-being of all age groups.</p>
<p>Green Recycling</p> 	<p>7 AFFORDABLE AND CLEAN ENERGY</p> <p>Economically viable clean energy To ensure affordable, reliable and sustainable modern energy for all.</p> <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> <p>Sustainable cities and communities To build inclusive, safe, disaster-proof and sustainable cities and human habitats.</p> <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> <p>Responsible consumption and production To adopt sustainable consumption and production models.</p> <p>13 CLIMATE ACTION</p> <p>Climate action To take urgent actions to address climate change and its impact.</p>
<p>Stable Supply</p> 	<p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p>Decent work and economic growth To procure lasting, inclusive and sustainable economic growth, sufficient productive employment and decent work for all.</p> <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> <p>Responsible consumption and production To adopt sustainable consumption and production models.</p> <p>17 PARTNERSHIPS FOR THE GOALS</p> <p>Partnerships conducive to the attainment of goals To enhance execution and revive sustainable global partnerships.</p>
<p>Technological Development</p> 	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> <p>Industry, innovation and infrastructure To build disaster-proof infrastructure, promote inclusive and sustainable industrialisation and drive innovation.</p>
<p>Employees Development</p> 	<p>4 QUALITY EDUCATION</p> <p>Quality education To ensure inclusive and fair quality education that allows lifelong learning for all.</p> <p>5 GENDER EQUALITY</p> <p>Gender equality To achieve gender equality and empower all women and girls.</p> <p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p>Decent work and economic growth To procure lasting, inclusive and sustainable economic growth, sufficient productive employment and decent work for all.</p>



SDGs	SDGs in application
 <p>3 GOOD HEALTH AND WELL-BEING</p> <p>Sound health and well-being To ensure healthy lifestyles and promote the well-being of all age groups.</p>	<ul style="list-style-type: none"> Assist local governments in safe and proper disposal of medical waste and other hazardous wastes Make improvements to the safety, environment and health management regime, set safety and environment management goals for inclusion in Group appraisal at all levels Apply standard operational procedures at all projects, provide sufficient safety and occupational health training, and adopt protective measures to safeguard staff safety
 <p>4 QUALITY EDUCATION</p> <p>Quality education To ensure inclusive and fair quality education that allows lifelong learning for all.</p>	<ul style="list-style-type: none"> Formulate staff training plans annually to provide vocational training opportunities for all employees in a fair and equitable manner Support staff in the pursuit of continuing education and offer rewards to staff for professional qualifications and professional titles for special skills acquired
 <p>5 GENDER EQUALITY</p> <p>Gender equality To achieve gender equality and empower all women and girls.</p>	<ul style="list-style-type: none"> Set target percentages of female staff, female intermediary to senior staff and female Directors and vigorously endeavour to achieve such targets Persist in the principle of gender neutrality in matters pertaining to employment, training and promotion Offered sponsorships to the Charity Run and Donate a Pencil Campaign initiative of Plan International over consecutive years to support education for girls as a life-changing initiative and call for public concern for the rights of girls. Provide maternity leave, breastfeeding leave and breastfeeding facilities for or female staff, paternity leave for male staff and parental leave for all staff with born kids, and ensure the absence of any obstacles for taking such leaves.
 <p>7 AFFORDABLE AND CLEAN ENERGY</p> <p>Economically viable clean energy To ensure affordable, reliable and sustainable modern energy for all.</p>	<ul style="list-style-type: none"> Utilise agricultural and forestry waste, household waste and general industrial solid waste for power generation and heat supply, and build solar power and wind power projects to provide clean energy to local communities Formulate Energy Management Policy and require projects to reduce energy consumption and install in-house solar power facilities to increase the proportion of renewable energy in their energy mix Cooperate with local communities to develop zero-carbon industry parks and energy and carbon assets management platforms

SDGs	SDGs in application
 <p>Decent work and economic growth To procure lasting, inclusive and sustainable economic growth, sufficient productive employ-</p>	<ul style="list-style-type: none"> • Provide more job opportunities for local agricultural workers and help them to increase income by purchasing agricultural and forestry waste • Persist in equality in wages for the same jobs and adhere to the principles of fairness, equality and non-discrimination in recruitment, remuneration and work conditions • Zero tolerance for exploitation, forced labour, modern slavery and human trafficking, a stance which is also made clear to stakeholders
 <p>Industry, innovation and infrastructure To build disaster-proof infrastructure, promote inclusive and sustainable industrialisation and drive innovation.</p>	<ul style="list-style-type: none"> • Implement circular economy-based business models and maximise reduction of pollutant discharge through recycled use of resources to reduce impact on the environment • Develop businesses such as smart power network, energy storage and energy and carbon asset management, among others, to reduce carbon dioxide emission • Optimise scientific research effort and conduct technology R&D to enhance environmental technologies and support clean production
 <p>Sustainable cities and communities To build inclusive, safe, disaster-proof and sustainable cities and human habitats.</p>	<ul style="list-style-type: none"> • Maintain sufficient and sound engagement with local communities and indigenous peoples in the course of project preparation, construction and operation, publish policies and adopt measures as appropriate to reduce the negative impact of project operation on local communities • Provide local communities with clean energy through the Group's project facilities to reduce local waste pollution and carbon emission • Incorporate climate-related risks into our enterprise risk management regime with a special focus on the impact on important supply chains and adopt specific measures in response to enhance climate resilience
 <p>Responsible consumption and production To adopt sustainable consumption and production models.</p>	<ul style="list-style-type: none"> • Formulate relevant policies and adopted measures in production to increase the efficiency and efficacy of the consumption of water, energy and raw materials • Reduce consumption of natural resources and promote the use of renewable energy in project construction and operation • Adopt effective measures for the management of waste discharge to avoid leakage



SDGs	SDGs in application
 <p>Climate action To take urgent actions to address climate change and its impact.</p>	<ul style="list-style-type: none"> Identify risks and opportunities arising from climate change according to the TCFD framework and conduct scenario analysis to identify specific impact Closely monitor changes in regulatory policies owing to climate change to direct the Group’s development strategy and planning accordingly Provide ESG-related training for staff
 <p>Partnerships conducive to the attainment of goals To enhance execution and revive sustainable global partnerships.</p>	<ul style="list-style-type: none"> Explain the Group’s sustainability policy to suppliers, partners and other stakeholders Maintain friendly engagement with tertiary colleges and industry associations and develop sustainable partnerships to fully utilise available resources and drive technological innovation Formulate policies and made improvements to data audit processes to enhance ESG data transparency and quality so that business partners could understand the real conditions

STAKEHOLDER ENGAGEMENT

The Group places a strong emphasis on stakeholder engagement and regards it as the groundwork for realising the Group’s sustainability planning and social responsibility fulfilment. We seek understanding of their concerns and expectations in connection with the Group’s sustainability through regular communication, which is followed by the formulation of operating strategies that address their needs. We have established effective channels for communication with internal and external stakeholders in our daily operation to ensure that their views and voices could be heard by all business units of the Group and timely responses could be provided.

Stakeholder	Key concerns	Mode of communication	Description	Frequency of communication
Employees	<ol style="list-style-type: none"> Safe production Sustainable investment Corporate governance Anti-corruption/ anti-bribery Stable supply 	Suggestions	To encourage employees suggestions for the Group’s development, the Everbright e-Message APP has been set up where all employees could tell the Group how they feel and what they need and furnish suggestions at any time.	As required

Stakeholder	Key concerns	Mode of communication	Description	Frequency of communication
Investors and shareholders	<ol style="list-style-type: none"> 1. Safe production 2. Corporate governance 3. Business ethics 4. Technological innovation 5. Supply chain management 	Group website and WeChat public account	Regular updates of results presentation materials prepared for investors and shareholders and publication of such materials on the official website for regular inspection by investors and shareholders.	Regular
		Non-deal roadshow	Regular hosting of interim and annual results presentations as well as domestic and overseas telephone conferences to share the Group's latest business developments, strategic developments and impact on industrial policies with investors and shareholders.	Regular
		1-on-1 meeting	Instantaneous response to questions raised and requests for visits by investors and analysts.	From time to time
		Email or Wechat	Assisting analysts of securities companies to develop a financial model of the Group and furnish coverage reports on the Group.	Regular/from time to time
Government and regulatory authorities	<ol style="list-style-type: none"> 1. Corporate governance 2. Net zero emission 3. Technological innovation 4. Business ethics 5. Anti-corruption/ anti-bribery 	Progress report	Close cooperation with local governments with timely reports to competent authorities governing relevant sectors on the progress of project preparation and construction, as well as updating the status of completion of project investment budget as required.	Weekly/monthly/ quarterly/as required
		On-site inspection	Receiving government authorities at various levels for on-site inspection, understanding their views and suggestions for project planning and the process of construction and operation, while advocating the environmental benefits for people's livelihood and positive lessons of the project.	From time to time/as required



Stakeholder	Key concerns	Mode of communication	Description	Frequency of communication
Customers	<ol style="list-style-type: none"> 1. Stable supply 2. Business ethics 3. Technological innovation 	Telephone or email	Close liaison with local governments to assist in the improvement of local living conditions and creation of jobs.	As required by customers
		Meeting	Maintaining effective communication with customers through meetings to maximise the potential effect of customer services, ensuring customer satisfaction for the effectiveness of hazardous waste disposal.	Regular
Business partners and suppliers	<ol style="list-style-type: none"> 1. Safe production 2. Corporate governance 3. Business ethics 4. Technological innovation 5. Supply chain management 	Procurement tender	Organisation of procurement tenders to determine the suppliers' list by adopting different procurement methods for different counterparties in procurement, and regular assessment of suppliers' servicing ability to implement supplier management by classification to provide reference for future cooperation.	From time to time
		Poll questionnaire	Arranging poll questionnaire for business partners and suppliers to understand their degree of satisfaction for the process of cooperation, and to ensure that their views and suggestions for improving the effectiveness of cooperation is sufficiently heard.	As required
Local communities	<ol style="list-style-type: none"> 1. Corporate governance 2. Net zero emission 3. Business ethics 4. Anti-corruption/ anti-bribery 	Project investigation	Accepting investigation of projects by local communities and distributing questionnaires as a means to promote the opening of the Group's environmental facilities to the public, spread environmental knowledge to broader audience and publicise the concept of environmental protection.	Prior to construction/ from time to time
		Public hearing	Invitation of residents of the community to hearing sessions prior to project construction to generate views on project construction of representatives of the public living in the neighbouring areas of the project, while extensively soliciting suggestions of other public parties on the project.	Prior to construction/as required

Stakeholder	Key concerns	Mode of communication	Description	Frequency of communication
Media	<ol style="list-style-type: none"> Corporate governance Technological innovation 	Site visit	Receiving media visits to promote the function of our projects in fulfilling social responsibility and providing active response to media concerns for project construction and operation to facilitate effective communication with the public via media.	From time to time
		Management interview	Arranging management interviews with the media at suitable timing, such as during results announcement or after the commencement of an important business, to express views on the industry in which the Group operates and the Group's own management direction.	Regular/as requested by media
NGOs	<ol style="list-style-type: none"> Corporate governance Employee development Business ethics Anti-corruption/anti-bribery 	Forum/salon	Regular participation in industry forums organized by industry associations to understand the industry's latest developments in policy, technology and business model.	From time to time
		Industry research/development report	Cooperation with industry organisations and publication of industry research reports in association with peers to study the current status and prospects of industry development.	Regular/as requested by the group

MATERIALITY ISSUES

In 2023, the Group tracked the implementation of its sustainability strategies and related goals and initiatives in a pragmatic manner, closely monitoring the trends of ESG development on the regulatory front and in the capital market as well as benchmarking its performance against outstanding peers in an in-depth effort to drive the implementation of important ESG agenda. After reviewing the outcomes of communication with stakeholders and materiality analysis for the past 3 years, the Group confirms that such outcomes are still in line with international and domestic standards and trends and, as there was no material change to the Group's business during the Reporting Year, it was determined that the materiality issues were unchanged from the previous year. During the Reporting Year, we were engaged in in-depth communication with the management, staff and external stakeholders (such as suppliers and investors) and reporting on the implementation of 5 principal sustainability strategies was carried out.



The Group has established a sound governance structure and endeavoured to incorporate the sustainability agenda into its business development strategy. The supervisory role of the Board is emphasised to ensure sufficient discussion with the management and risk evaluation on the part of the Board in the process of materiality assessment, thereby ascertaining material sustainability issues.

The Pillars of the Sustainability Strategy





Safe Production

The health and safety of workers are crucial to the sustainability of an enterprise, which should prevent, control and eliminate the occupational hazards, protect employees' health, ensure safety of the production process, maximise risk control and eliminate management deficiencies to become a reliable service supplier for local users and build a sound brand reputation.

- Objectives**
- Optimising the safety management regime
 - Reducing the risk of accident and work injury



Green Recycling

To achieve net zero emission, fundamental changes must be introduced to the pattern of production and consumption of products. The circular economy offers a new model of economic operation to promote the development of renewable energy and consumes resources on the basis of "manufacture — consume — recycle" to reduce carbon emission and the exploitation of raw biological materials and increase the added value of products.

- Objectives**
- Advancing pollution and carbon reduction
 - Increasing the consolidated resource utilisation rate
 - Tracking developments in circular economy



Stable Supply

The operational stability of the enterprise will be affected by significant fluctuations in the prices of raw materials and environmental consumables as well as insufficient supply of raw materials presented difficulties for the projects in meeting capacity requirements. In order to achieve cost reduction and optimisation of production processes and management, it is imperative that the stability of the supply chain be enhanced.

- Objectives**
- Optimising supply-chain management
 - Optimising feedstock mechanism
 - Controlling cost efficiency



Technological Development

The rapid development of renewable energy has compelled environmental enterprises to enhance its technologies and management competence in relevant areas.

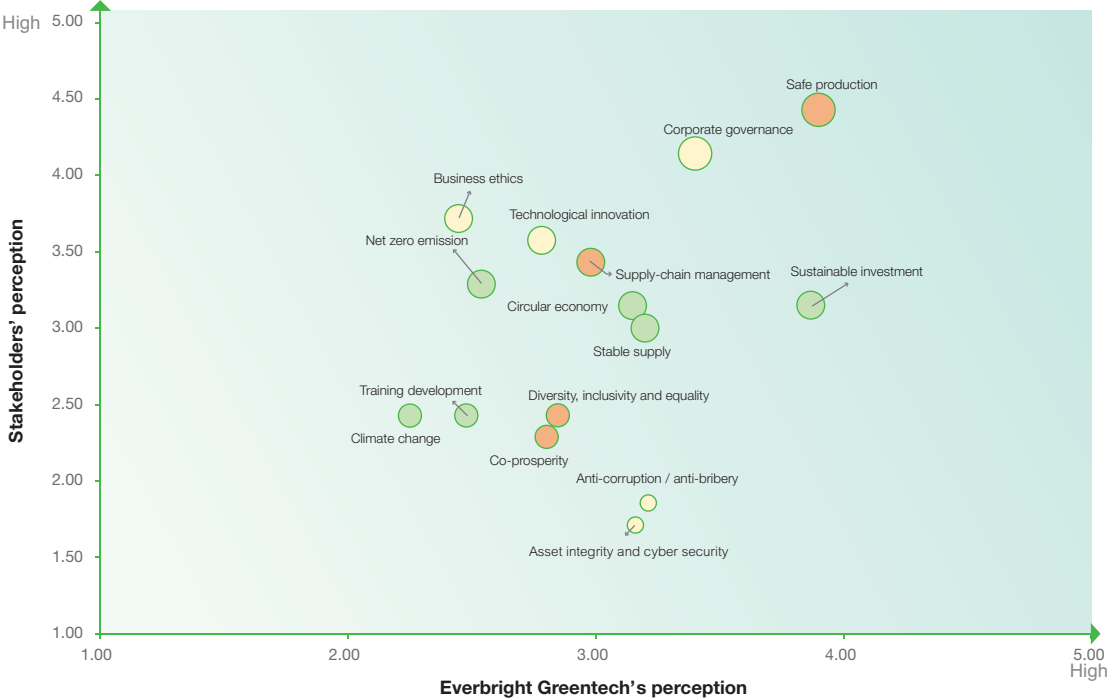
- Objectives**
- Advancing technological innovation
 - Enhancing existing project technologies
 - Driving informatisation-based transformation



Employee Development

People of different genders, nationalities, cultural backgrounds, educational backgrounds and disability conditions will provide the enterprise with ideas and insights from different perspectives that enable the enterprise to develop strategies for addressing risks and opportunities arising from various operations. To cope with the fast-changing business environment and enhance employees expertise and competence, an strong emphasis should be placed on employees training and development in order to build a talent base and succession teams.

- Objectives**
- Fostering a culture of diversity of the Group
 - Facilitating development of employees potential
 - Enhancing appeal to talents



● Environmental ● Social ● Corporate Governance

ADDRESSING CLIMATE CHANGE

In recent years, the impact of climate change on the environment and the community has become more severe than ever. According to The Global Risks Report 2023 published by the World Economic Forum in November 2023, failure to mitigate and adapt to climate change, natural disasters, biodiversity loss and environmental damage continued to be listed as the top 10 risks in the world. The report warns that if the international community is unable to engage in more effective cooperation in climate mitigation and adaptation, climate-related risks will cause ongoing global warming and collapse of the ecosystem within the next decade.

As an enterprise specialised in environmental protection and renewable energy, the Group is profoundly aware of the risks and opportunities presented by climate change, and is committed to taking the climate factor into consideration in its business decisions, so as to maximise value for its customers, investors and stakeholders and the communities in which it operates. The Group has already started relevant initiatives under the TCFD strategic framework of its parent company CEEGL with the adoption of various measures to alleviate climate-related risks. To further strengthen climate governance and risk management, and to enhance resilience and adaptation to climate change, the Group was engaged in in-depth climate risk-related initiatives during the Reporting Year with reference to TCFD recommendations, and made disclosures on the progress of such climate-related actions.

GOVERNANCE

The Group strongly believes that a solid governance structure is conducive to procuring effective decision-making and crucial for achieving long-term sustainability. The Board is responsible for assessing and determining the Group's sustainability matters, and a Sustainability Committee has been established to assist the Board in the supervision of ESG (including climate-related matters) work and review of relevant strategies. For details of the functions of and division of duties among the Board, the Sustainability Committee and Sustainability Work Groups in the supervision of ESG and climate-related matters, please refer to "Sustainability Governance" on pages 19 to 23 in this Report.

STRATEGY

The Group is committed to the formulation of effective strategies to alleviate and adapt to the impact of climate change by identifying and assessing climate change-related risks and opportunities. In accordance with the TCFD recommendations, the Group classifies climate-related risks into physical risks and transition risks. Physical risks refer to physical disasters relating to climate change faced by businesses and/or supply chains, which are further classified into immediate risks and long-term risks. Transition risks refer to risks to which business operations are subject in relation to the transition to low-carbon economy, alleviation of and adaptation to climate change and relevant adjustments to regulatory rules and the market.



Identifying and prioritising climate-related risks and opportunities

In 2023, the Group identified and assessed its material climate-related risks and opportunities through in-depth discussions with various business departments with reference to the material climate risks and opportunities of peers and TCFD recommendations, with a special emphasis on the Group's integrated biomass utilisation business and hazardous and solid waste treatment business. We have also rated and prioritised the material climate-related risks and opportunities identified in terms of the extent of their impact and probability of occurrence. The Group has identified the following material climate-related risks and opportunities in the short (within the next 3 years), medium (within the next 3–5 years) and long term (beyond 5 years).

Identifying physical risks

Based on peer benchmarking and multiple rounds of discussions with various business departments, the Group has identified the following physical risks that could materially affect its integrated biomass utilisation business and hazardous and solid waste treatment business and conducted analysis on their possible impact (including financial impact) on the Group.

Risk type	Time span	Risk	Integrated biomass utilisation business	Hazardous and solid waste treatment business
Acute	Medium-to long-term	Torrential rain and flood	<ul style="list-style-type: none"> Continuous torrential rain could result in reduction or total failure of agricultural harvest, causing deterioration in biomass fuel quality, decrease in output volume and increase in unit cost of projects. Electricity supply is easily susceptible to floods, which will cause disruption to business. Biomass fuel transport in some regions may be affected by continuous torrential rain and flood, resulting in disruption to business and decline in revenue. 	<ul style="list-style-type: none"> Continuous torrential rain and flood could cause restrictions to transportation of hazardous and solid waste products in some regions, resulting in disruption to business and decline in revenue.
Chronic	Medium-to long-term	Extreme high temperature	<ul style="list-style-type: none"> High temperature causing increase in volume of water intake, resulting in increase in consumption of electricity for water intake and increase in operating cost. Owing to high-temperature heatwave, generator units require additional cooling equipment to ensure smooth operation, resulting in increase in electricity consumption and increase in operating cost. Negative impact of high temperature on raw materials processing of suppliers, resulting in decrease in biomass fuel output and increase in unit cost of projects. 	<ul style="list-style-type: none"> Under the impact of high temperature, electricity network will go into a loaded status, causing local governments to implement restricted power supply and require enterprises to reduce or suspend production to avoid power demand peaks, resulting in decrease in waste generation and factory intake and increase in operating cost.

Identifying transition risks and opportunities

According to TCFD recommendations, extensive changes in policies, laws, technologies and market are required to facilitate low-carbon economic transformation that could meet the need to alleviate and adapt to climate change. Depending on the nature, rapidity and focus of change, transition risks may affect the Group to different extents. The Group has identified the following transition risks relating to the integrated biomass utilisation business and hazardous and solid waste treatment business through in-depth discussion with various departments and conducted analysis on their potential financial impact.

Risk/ opportunity type	Time span	Risk/ opportunity	Description	Impact on integrated biomass utilisation business	Impact on hazardous and solid waste treatment business
Policy and legal	Short- to medium- term	Risk	Promulgation of more stringent policies and restrictive measures based on low-carbon eco-friendly themes	<ul style="list-style-type: none"> Owing to the transition risk policy, forestry development may be subject to restriction, resulting in decrease in supply of grey straw, decline in revenue and increase in unit cost of projects. Failure to adequately disclose information such as source of raw materials or comply with new reporting obligations that may be imposed could undermine the Company's reputation and operations, resulting in loss for customers, investors and other stakeholders. The government may implement new policies in future to set minimum standards for energy efficiency of machines, whereby old equipment with relatively low energy efficiency that does not meet the new requirements may have to be subject to early retirement. Government promulgation of more stringent pollutant emission standards will require projects to increase investment in order to comply with such standards, resulting in increase in operating cost. 	<ul style="list-style-type: none"> Increasingly stringent hazardous waste landfill standards will pose greater restrictions against the taking of hazardous waste by flexible landfills, resulting in decline in project revenue and increase in unit cost of projects. Changes in provincial policies on waste reduction and waste treatment could reduce supply of solid waste, resulting in decrease in sales orders and decline in project revenue. With tightening policies, hazardous and solid waste treatment projects will be subject to more stringent emission standards and regulation, resulting in increase in project cost for pollutant treatment. The government may implement new policies in future to set minimum standards for energy efficiency of machines, whereby old equipment with relatively low energy efficiency that does not meet the new requirements may have to be subject to early retirement.



Risk/ opportunity type	Time span	Risk/ opportunity	Description	Impact on integrated biomass utilisation business	Impact on hazardous and solid waste treatment business
Policy and legal	Medium- term	Risk	Introducing carbon pricing mechanism and deregulating carbon trade market	/	<ul style="list-style-type: none"> If the Chinese government introduces a carbon pricing policy, the operating cost of hazardous and solid waste projects might increase because of carbon emission generated by these projects.
Technology	Medium-to long-term	Risk	Continuous technological improvement and transition to low-carbon technologies	<ul style="list-style-type: none"> Transition to low-carbon technologies might require application of untested new technologies, the performance and production efficiency of which might fall short of expectations and pose risk to the effective operation of projects. Application of technologies or equipment might require substantial R&D investment that may not be rewarded within a short period, resulting in decline in revenue and increase in cost. 	<ul style="list-style-type: none"> Transition to low-carbon technologies might require application of untested new technologies, the performance and production efficiency of which might fall short of expectations and pose risk to the effective operation of projects. Application of technologies or equipment might require substantial R&D investment that may not be rewarded within a short period, resulting in decline in revenue and increase in cost.
Market preference	Medium- term	Risk	Change of market sentiments and customer preference	/	<ul style="list-style-type: none"> With the implementation of more stringent policies, such as zero landfill, the market might turn to hazardous waste recycling; if the Group is unable to transform or develop relevant businesses in response to changing market demands, its market share may decrease, the volume of hazardous and solid waste processed may be reduced and the unit cost of projects may increase. With the promulgation of more stringent policies, some enterprises might go into suspension and demolition, production capacity in the market for hazardous waste treatment might become excessive and total volume of disposable hazardous waste might decrease, resulting in vicious competition and lower profitability.

Risk/ opportunity type	Time span	Risk/ opportunity	Description	Impact on integrated biomass utilisation business	Impact on hazardous and solid waste treatment business
Policy and legal	Medium- term	Opportunity	Introducing carbon pricing mechanism and deregulating carbon trade market	<ul style="list-style-type: none"> The production of electricity and heat from biomass utilisation projects gives rise to net negative carbon emission. If China's national emission trading system (ETS) is expanded to cover the biomass power generation industry, the Group could commence CCER trading and increase its revenue. 	/
Technology	Medium-to long-term	Opportunity	Continuous technological improvement and transition to low-carbon technologies	<ul style="list-style-type: none"> Through development of infrastructure facilities for energy transportation products (such as intelligent electricity network and energy retrieval etc), projects could enhance production equipment and transport system and improve overall production efficiency, thereby lowering project costs. 	/
Market preference	Medium- term	Opportunity	Change in market sentiments and customer preference	<ul style="list-style-type: none"> To facilitate transformation to low-carbon eco-friendliness, future customers and market preference could switch to production processes which require cleaner "green electricity" and heat supply, resulting in growth in demand and increase in revenue 	/

Climate scenario analysis

Based on climate-related risks and opportunities identified and their potential impact on business, strategic and financial planning, the Group conducted a further climate scenario analysis on such risks during the Reporting Year. Scenario analysis is a prospective assessment on climate-related risks and opportunities. To ensure the Group's stable development in the long term, we must assess the potential impact and financial impact of material climate-related risks and opportunities on the Group's business under various future scenarios in an effective manner.

The climate scenario analysis covered the Group's integrated biomass utilisation business and hazardous and solid waste treatment business with a special focus on projects in Anhui Province and Jiangsu Province.



Climate scenario analysis of physical risks

With reference to TCFD recommendations, the Group has elected to adopt two Shared Socioeconomic Pathways (SSPs) presented in the Sixth Assessment Report (AR6) published by the United Nations Intergovernmental Panel on Climate Change (IPCC), namely, “low GHG emissions” (SSP1–2.6) and “very high GHG emissions” (SSP5–8.5), to assess the impact of physical risks on the Group under different scenarios.

SSP1–2.6 assumes the gradual transition of the world economy to a more eco-friendly pathway and the success of humankind to limit the extent of global temperature rise to approximately 2°C above the pre-industrialisation level. SSP5–8.5 represents a world where no action whatever has been taken and the consumption of fossil fuel results in the ongoing increase in carbon emission and the global temperature rising to more than 5°C above the pre-industrialisation level. Under the SSP5–8.5 scenario, serious climate incidents will occur in greater frequency and magnitude.

To facilitate more assessments of the physical risks to which the Group is subject under different climate scenarios, the Group has considered and adopted the following parameters and assumptions in the current climate scenario analysis:

Assumption/parameter	SSP1–2.6 Scenario	SSP5–8.5 Scenario
Carbon price	Attainment of carbon neutrality in future, uncertain whether goals will be attained through introduction of carbon tax; relatively low physical risks	No carbon emission charge in future, relatively high physical risks
Energy demand and mix	Rapid transition from economy relying on fossil fuel to economy driven by use of renewable energy	Energy demand and business model still profit-driven, with increasing demand for fossil fuel and absence of proper consideration of impact on environment and society
Macro-economic factors	<ul style="list-style-type: none"> • More inclusive economic development and respect for known environmental boundaries • Rapid per capita gross domestic product (“GDP”) growth for low- to medium-income countries; moderate per capita GDP growth for high-income countries • Limited climate change without affecting agricultural production volume 	<ul style="list-style-type: none"> • High growth sustained for global per capita GDP, dependent mainly on mostly fossil-fuelled traditional energy, resulting in high level of GHG emission by 2100 and aggravated extreme weather incidents, causing agricultural output to decrease
Changes in population and employment	Slow population growth and moderate birth rate in high-income countries	Slow population growth but relatively high birth rate in high-income countries

Assumption/parameter	SSP1-2.6 Scenario	SSP5-8.5 Scenario
Technology	Rapid technological development parting way with traditional fossil energy through scientific research, R&D of cleaner and more efficient renewable energy	Rapid technological development but no active effort to identify alternative energy, direction of scientific research continues to be based on traditional fossil energy
Policy and law	Many countries have undertaken to attain net zero emission by 2050 and announce more stringent policies and regulatory requirements to strike a balance between environmental protection and economic development, with stringent restrictions against GHG and other pollutant emission, relatively low level of difficulty in policy execution	Inadequate public awareness and obstacles in the system, politics and economy, policy sloppiness means there is a lack of new climate policies, and detailed short-term action and implementation plan for policy execution; regulatory requirements with moderate effectiveness will be announced over a longer term, causing deforestation rate to decrease at a slow pace

The Group is currently conducting climate scenario analyses in respect of the SSP1-2.6 and SSP5-8.5 scenarios to assess the financial impact of physical risks on the Group's integrated biomass utilisation business and hazardous and solid waste treatment business under the two scenarios up to 2050, including impact on revenue, profit, gross profit margin and total assets, among others. On this basis, the Group will conduct further quantitative assessment of such financial impact in future.

Under the SSP5-8.5 scenario, torrential rain and flood will cause foodstuff production to decrease which will result in reduction in the volume of fuel acquisition. Continuous rainfall will increase the water content of fuel and affect fuel efficiency, eventually resulting in the decrease in power generation volume. Meanwhile, torrential rain and flood cause disruption to the integrated biomass utilisation business which may result in partial loss of income. Moreover, under extreme high temperature, the cooling procedure in the operation of the integrated biomass utilisation business will require the consumption of more water and electricity to ensure the efficiency of power generation and safety of the generator units, which may result in increased costs. In connection with the hazardous and solid waste treatment business, under the SSP5-8.5 scenario, extreme high temperature may cause the local governments to implement restrictions against power consumption as well as lower work efficiency, thereby resulting in the decrease in annual processing volume and lower revenue.

Under the SSP1-2.6 scenario, the impact of torrential rain and flood on agricultural crop harvests is less significant and the impact on the power generation volume of the integrated biomass utilisation business is also milder compared to that under the SSP5-8.5 scenario. The impact of extreme high temperature on the integrated biomass utilisation business and the hazardous and solid waste treatment business under this scenario is also relatively limited.

Climate scenario analysis of transition risks

In respect of climate scenario analysis of transition risks, the Group has adopted two climate scenarios presented in the latest World Energy Outlook 2022 report published by the International Energy Agency ("IEA"), namely, the "Announced Pledges Scenario" ("APS") and "Stated Policies Scenario" ("STEPS") to assess the impact of transition risks and opportunities on the Group under different scenarios.



The APS assumes that as at the end of August 2023, all climate undertakings made by national governments and industries worldwide, including voluntary contributions and long-term net zero targets of the countries, will be materialised in full in a timely manner, and estimates a median level of temperature rise by 1.7°C by 2100. The STEPS conducts analysis and assessment at a departmental and national level based on energy-related policies announced and under formulation as at the end of August 2023 to arrive at a scenario reflecting the current stated policy setting, taking into account the manufacturing capacity of clean technologies current under planning, and estimates a median level of temperature rise by 2.5°C by 2100.

The parameters and assumptions for different climate scenarios adopted by the Group in the climate scenario analysis of risks are as follows:

Assumptions/ parameters	APS	STEPS
Carbon price	Carbon tax after 2030 is expected to rise significantly, carbon price per tonne of CO ₂ is estimated to be USD40 in 2030 and USD160 in 2050	Carbon price for carbon tax is relatively low, carbon price per tonne of CO ₂ is estimated to be USD28 in 2030 and USD53 in 2050
Energy demand and mix	Energy demand gradually shifts from fossil energy to clean renewable energy	
Macro-economic factors	All IEA scenarios assume an identical macro-economic background, without taking into account the correlation among climate actions, climate change and economic growth; it is assumed that total GDP will grow with the passage of time, although at a slower pace	
Changes in population and employment	It is estimated that the energy industry will employ 80 million people in 2030, up from 65 million in 2021, with growth coming mainly from the clean energy sector	Employment in the clean energy sector will increase and that in the fossil energy sector will decrease, with net growth in employment for the energy industry as a whole
Technology	No significant new technological breakthrough in future, although there will be ongoing improvements to technologies, including the infrastructure for energy transportation products, such as intelligent power network and storage technologies for energy retrieval, production and conversion and other technologies	
Policy and law	Government will launch new policies to fulfil announced commitments	Government will not introduce any new policies apart from the incumbent ones

The Group is currently conducting climate scenario analyses in respect of APS and STEPS to assess the financial impact of physical risks on the Group's integrated biomass utilisation business and hazardous and solid waste treatment business under the two scenarios up to 2050, including impact on revenue, profit, gross profit margin and total assets. On this basis, the Group will conduct further quantitative assessment of such financial impact in future.

Under APS, the Group's hazardous and solid waste treatment business may be affected by policies such as the "towards zero landfill" in future, resulting in the decrease in orders for and the processing volume of hazardous and solid waste as a whole on a nationwide basis, thereby affecting the Group's revenue from the hazardous and solid waste treatment business. Under APS, carbon prices will increase substantially, although the Group will at the same time increase its effort in carbon reduction to lower carbon emission, hence the potential financial impact of rising

carbon taxes on the Group in future will be relatively limited. In addition, under APS, the substantial increase in market demand for green electricity may also drive growth in revenue from the integrated biomass utilisation business.

Under STEPS, the Group will carry on with carbon reduction according to its existing targets, and the increase in R&D and investment for green carbon reduction will be less than that under APS, although as a result of the smaller extent of carbon reduction compared to APS, the hazardous and solid waste treatment business may be affected by the growth in carbon prices, resulting in higher carbon tax costs. Meanwhile, under STEPS, policies such as “toward zero landfill” will maintain its existing status and implementation will be in the current regions only instead of being expanded to cover the entire nation, thereby having a milder impact on the Group’s hazardous and solid waste treatment business.

Climate resilience

The Group is of the view that of the active adoption of measures to alleviate and adapt to potential climate risks such as extreme weather incidents and global temperature rise is conducive to enhancing our business resilience and counter climate-related impact in a more effective manner. The Group will incorporate climate-related risks and opportunities into its business strategies and goals in connection with policy, procedure, product and service, among others, in a bid to increase its climate resilience and minimise the impact of climate-related risks on the Group long-term business development, whilst making its contribution to the global effort to address climate change.

In connection with physical risks, the Group has incorporated the climate factor into its project design, conducting analysis on the geo-climatic conditions of the locations of its projects to ensure that the projects are designed to afford sufficient resilience to the impact of extreme weather and natural disasters. In the meantime, the Group has actively strengthened the ability of its projects to deal with the emergencies of climate disasters, so as to ensure stable operation of its projects, for details, please refer to “Safe Production” on pages 52 to 54 in this Report. In connection with transition risks, the Group formulates relevant policies and measures according to identified transition risks and outcomes of climate scenario analyses to strengthen the ability of its business to adapt to risks brought about by low-carbon transformation.

3 RISK MANAGEMENT

Risk management is of paramount importance to the Group’s sustainability. Our risk management is implemented through “three lines of defense” with the Board and the Audit and Risk Management Committee taking full responsibility in risk management work.

As the possible impact of climate change on business development becomes increasingly severe and extensive, climate-related risk management has been incorporated in the Group’s corporate risk management regime, such that the risks facing the Group in future could be supervised and addressed in a more comprehensive manner. Assisted by the Audit and Risk Management Committee, the Board is responsible for reviewing the effectiveness of identified risk categories and the internal control system on a regular basis and providing opinion in a timely manner, taking into account ESG and climate-related risks. The Group has also formulated a risk checklist to ensure continued identification of the major risks and significant emerging risks at the corporate and project levels. To manage climate-related risks in a more effective manner, the Group conducted reviews on its integrated biomass utilisation business and hazardous and solid waste treatment business during the Reporting Year to identify any climate-related



risks and opportunities, and assessed the impact of physical and transition risks on the Group through scenarios analyses. For details of risk management, please refer to “Sustainability Governance” on pages 22 to 23 in this Report.

4 INDICATORS AND TARGETS

Climate change has become increasingly material to the Group and its business. In addition to robust support for the carbon reduction plans and net zero emission commitment of various governments and strict compliance with national and local regulatory requirements, the Group has also been tracking and reporting GHG emissions generated by its business operations on an ongoing basis to assess the effectiveness of the Group’s climate response initiatives, as well as to more effectively identify and apply feasible emission measures. For details of GHG emission, please refer to “Appendix 3: KPI Overview” set out on pages 131 to 133 of the Report.

Moreover, the Group reviewed and optimised its data reporting procedures during the Reporting Year in ongoing enhancement of its ESG data quality. We will continue to conduct relevant feasibility assessment based on reliable data and consider the formulation of GHG emission targets in future to showcase the Group’s determination to address climate change.

5 NEXT STEPS

To formulate climate strategy and measures and ensure their genuine implementation is the first step towards transformation to a low-carbon society. The Group will continue to review and assess the impact of climate-related risks and opportunities on the Group to ensure the adequacy and effectiveness of management strategies and response measures formulated. In the Board evaluation for 2023, the 3 independent non-executive Directors gave practical and critical advice on how the Board could be assisted to take more climate-related actions in a more expeditious manner. Meanwhile, the Group will also study how climate change could affect the value of the Group on the basis of the outcomes of climate scenario analysis, and will continue to enhance its ability to implement sustainability strategies and seize business opportunities in the course of low-carbon transformation. In future, the Group will also consistently enhance its disclosure of information to maintain sound communication with stakeholders, so that they could fully understand the Group’s practices and achievements in countering climate change and driving low-carbon transformation.

Safe Production



Improvement of safety management regime

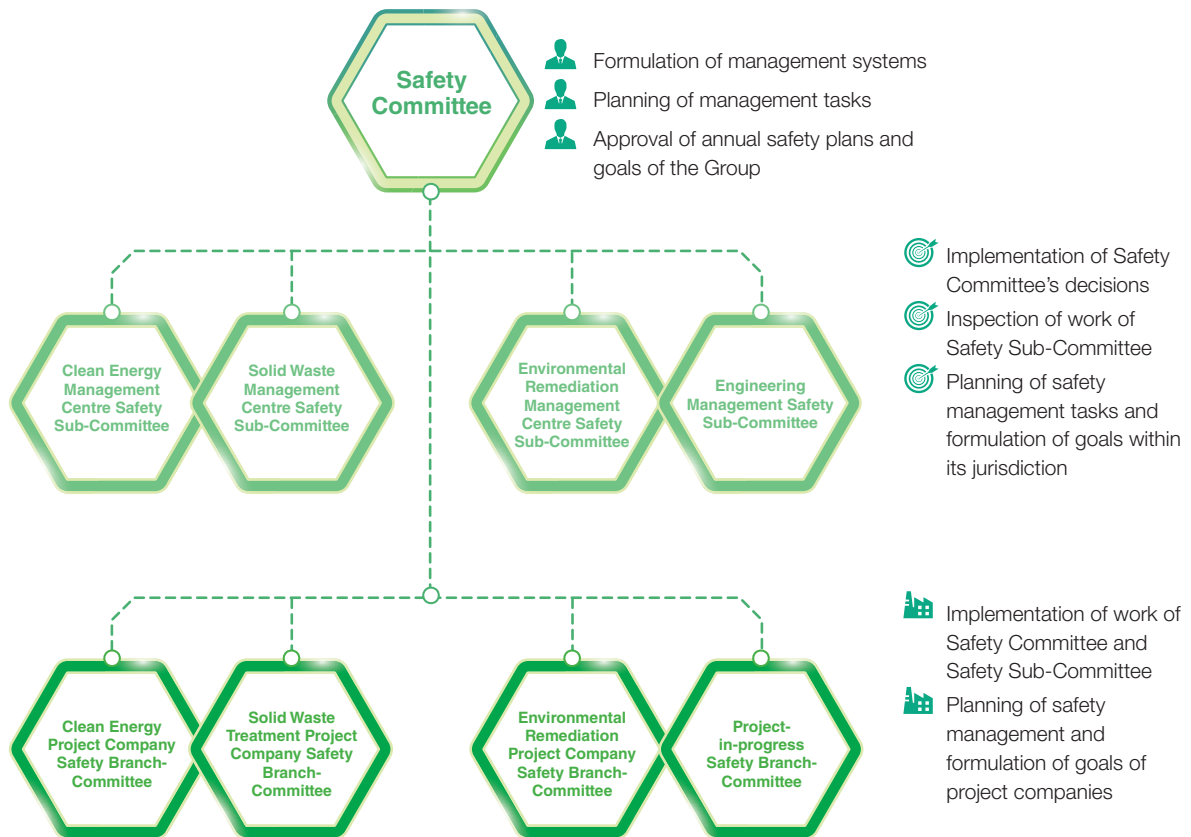
The Group places a strong emphasis on the protection of employees' health and safety and prioritises employees' safety conditions and welfare. As such, the Group has endeavoured to create a safe and healthy workplace by formulating and implementing effective safety protection measures under the principle of "Priority of Safety and Life".

Occupational health and safety ("OHS") management

The Group persists in making ongoing improvements to its safety management systems and regimes. Currently, a series of systems have been formulated in accordance with pertinent national laws and regulations, laws and regulations of the location of operation and higher industry standards, including the Safety Management Manual, Occupational Health Management Standards, Occupational Health Supervision Management Standard, Safety and Environmental Accident Accountability System and Measures for the Management of Safe Production, Employees' Health and Accidental Injury Protection Fund. For details, please refer to "Appendix 2: List of Important ESG Policies" on pages 127 to 129 in the Report. Moreover, the Group undertakes to update relevant policies and management regimes from time to time based on actual conditions to cater to requirements under latest developments.



To facilitate systematic management of safety and health affairs, the Group has established a Safe Production Management Committee (the “Safety Committee”) headed by the Chief Executive Officer and a Safety Committee Office at the Environmental Management Department responsible for the review, planning, coordination and supervision of all tasks relating to safe production. Meanwhile, branches of the Safety Committee, including the Clean Energy Management Centre, Solid Waste Management Centre, Environmental Remediation Management Centre and Engineering Management Department (the “Safety Sub-Committees”) have been set up to be charge of safety management in the respective segments. In accordance with the Safety Management Manual, the Safety Committee holds a plenary meeting at least quarterly to receive reports of the Safety Sub-Committees and deal with material safety issues identified in the production processes. The Safety Committee consists of an employee representative who can directly participate in the formulation of systems, planning of tasks and approval of goals in relation to safety management, in order to ensure that the Safety Committee could genuinely solve practical health and safety issues encountered by employees in daily operations.




As a complement to the existing management system, the Group has established an Integrity Management Department with supervisory, investigatory and disciplinary functions. In the event of a safety and environmental incident, the Environmental Management Department will organize investigation by professional parties and furnish an investigation report, on the basis of which the segregation of responsibilities and responsible parties will be ascertained. Thereafter the case is referred to the Integrity Management Department which will furnish and submit a preliminary proposal for handling the matter after deliberation at the special meeting of the accountability committee organized by the Integrity Management Department. Upon approval, the department will supervise the implementation of such proposal.

Development of safe production standardisation and a dual prevention mechanism

 OHS management system was certified by **GB/T33000-2016⁵**, including:

Safety production standardization level II:
27 projects

Safety production standardization level III:
22 projects

 All projects in operation have completed the development of the dual prevention regime with a **100%** target attainment ratio

Specific appraisal plans, including but not limited to:



development of sound safety and environmental management systems and regimes



special safe production rectification and dual prevention regime, control over dangerous operations



system of safe production responsibilities for all employees



stakeholder management



safety and environmental education, training and emergency drill



special safety and environmental cost management



safety and environmental management grade rating

⁵ Guideline of China Occupational Safety and Health Management System (GB/T 33000-2016).



Employee Health and Safety

The Group is committed to controlling OHS risks and the risk of accidents and work injuries, with a view to fostering a safe and healthy workplace. To assure genuine protection of employees' health, the Group has formulated the Occupational Health Management Standards and the Occupational Health Supervision Management Standard, with the aim of enhancing occupational health management at workplace, as well as preventing, controlling and eliminating occupational disease hazards.



In accordance with CEEGL's Safety Accidents, Environmental Incident Management Policy and the Group's Safety and Environmental Accident Accountability System, the occurrence of safety and environmental incidents shall be directly linked to the remuneration of the direct responsible officer, relevant responsible officer and responsible management officer in relation to the incident, and the occurrence of such incidents at different levels shall result in salary reduction, demotion and other punishment in varying degrees.

An occupational disease hazard test and inspection exercise is conducted once a year and an assessment of the current conditions in occupational disease hazards is conducted once every 3 years by a qualified occupational hygiene technology and service institution appointed by the Environmental Management Department. If the noise level, dust concentration level and chemical irritants in workplaces are found to be non-compliant with national occupational health standards and requirements during the test and inspection, the Production Technology Department shall formulate and implement treatment plans and make an assessment on the effectiveness of treatment, which assessment shall form one of the bases on which the OHS management regime will be updated.

In the event of an OHS incident, the Environmental Management Department shall forthwith conduct occupational disease hazards analysis on the work venue and perform monitoring, the results of which should be recorded in the Record Log for Inspection and Test of Dust at Venues of Operation or Record Log for Inspection and Test of Noise at Venues of Operation. All monitoring results should be publicly displayed and recorded in the occupational health files. Meanwhile, the Group has adopted various measures, such as the posting of safety warning slogans, installation of safety warning signs and protective facilities, distribution of personal protection equipment and regular maintenance of protective and monitoring equipment, to further reduce the risk of occupational health hazards at workplace.

Everbright Environmental Protection Hazardous Waste Treatment (Zibo) Company Limited⁷, EB Greentech Technology (Wuxi) Limited⁷, Lishui Everbright Environmental Solid Waste Treatment Limited⁷, Suntime Environmental Remediation CO., Ltd and Everbright Environmental Remediation (Jiangsu) Limited were certified with the **ISO45001** system.

⁶ Incidents are classified into different levels according to the Administrative Regulations on Safety and Environmental Incidents published by CEEGL.

⁷ For identification purpose only

In 2023,



NO major safety incidents occurred.



The OHS management system covers **100%** of internal employees



Approximately RMB **69 million** invested in safe production, insurance included

The project winning awards:

Dangshan Integrated Biomass and Waste-to-energy Project: Suzhou Occupational Health Enterprise

Xiayi Integrated Biomass and Waste-to-energy Project: Shangqiu Advanced Unit in Occupational Health

Dingyuan Biomass Electricity and Heat Cogeneration Project: Anhui Healthy Enterprise

Xuyi Biomass Electricity and Heat Cogeneration Project: Huaian Advanced Unit in Fire Fighting





Management for contractors and external partners

The Group has stringently included associates in the Company's safety and environmental regulatory regime. For example, the Safety Management Manual published by the Group has set out specific provisions regarding safety management for contractors, and has designated the Project Management Department to be in charge of qualification vetting and safety supervision relating to construction work contractors:



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

The on-site management personnel of the Group's project are responsible for supervision and inspection at the site of the contractor's operation. Safety appraisal standards for contractors and a contractor blacklist mechanism have also been formulated for the quantitative appraisal of contractors. Contractors who have failed in the appraisal will be included in the blacklist and banned from future assignment. In accordance with the Supplier Management Measures, the Group's Procurement Management Departments at all levels shall conduct a general assessment on suppliers at the end of each year.

Environment, safety, occupational health and social responsibility (ESHS) management would account for **25 points** in the assessment of contractors in charge of installation and civil engineering equivalent to a **25%** weighting, indicating the importance of ESHS management in the supplier assessment regime.

Safety management for associates is the responsibility of branch functional departments, business management centres and project companies. The Group has also formulated special appraisal plans for safety and environmental management to perform stringent appraisal on the competence of functional departments, business management centres and project companies in safety and environmental management and its implementation. Associates' management would account for **30 points** in the appraisal of safety and environmental process management, equivalent to a **30%** weighting.

In 2023,

<p>The OHS management system covers 100% of on-site employees of contractors.</p> 	<p>The safety and health training covers 100% of on-site employees of contractors.</p> 	<p>Provided 1,593 times and more than 4,856 hours of safety and health training to contractors.</p> 
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Disaster response management

Global warming has resulted in rising sea level and the threats of extreme weather has become more frequent and serious. According to estimates arrived at by digital geographic information model, under high volumes of carbon emission, an estimated 340 million of the world population will be threatened by the rising sea level by 2050. The Group has planned ahead for disasters caused by extreme weather (including torrential rain, flood, typhoon and thunderstorm, among others) and developed a complete emergency management regime that enables swift response when disasters occur.

The Group takes into consideration the impact of extreme weather and natural disasters from the stage of project design and conducts rigorous analysis of local geological and climatic conditions. The safety standards of critical regions and equipment has been raised to ensure safety of the projects. To address flood risks, green zones have been added to our projects as far as possible in the design. While designed to alleviate flooding, such green zones have also contributed considerably to the landscape of the projects.

In connection with natural disasters and extreme weather incidents, the Group has procured proper preemptive warning and planning. During the Reporting Year, Notice on Procuring Operations and Safety and Environmental Management Work During the May 1st Holiday, Notice on Procuring the Work of National Disaster Prevention and Reduction Day in 2023 and Notice on Strengthening Safety Production Work in Winter and the End of the Year were issued, requiring project companies to procure proper measures against typhoons and floods, peak power usage in summer and cold weather, among others, by conducting special safety inspection, adopting measures for the protection of facilities and enhancing patrolling inspection in advance.



The Group has developed a complete emergency management module. To explicit the emergency response procedure, we require project companies to formulate locally adapted project emergency plans in accordance with the requirements of pertinent national laws and regulations, as well as their own business types and characteristics, local geological and climatic conditions and characteristics, and the requirements of local governments for safe production management. The following measures were taken:



The project companies should conduct regular review of such emergency plans in light of actual conditions, enhance dynamic management of emergency plans, develop planning and filing and assessment systems, and make amendments and improvements according to assessment outcomes and actual conditions;



Emergency supplies ledgers have been set up to enhance the maintenance and management emergency supplies and equipment and improvements have been made to the storage, replenishment, urgent reallocation and distribution of important emergency supplies;



Drilling plans have been formulated and emergency drills have been organised according to plans to improve employees' ability to prevent and deal with accidents and records have been duly made;



Everbright Greentech have also formulated relevant appraisal standards and assessment rules and carried out regular inspection.

Moreover, in order to maintain the operability of the infrastructure under the impact of climate change, the Group has implemented a comprehensive preventive maintenance plan to carry out regular and frequent maintenance activities tailored to critical systems, in order to reduce the occurrence of breakdowns and extend the period of normal operation.

The Group has taken out insurance policies for natural disaster risks relating to climate, including lightning, torrential rain, flood, storm, tornado, hail, typhoon, hurricane, sandstorm, snowstorm, landslide, collapse, mudflow, road collapse and other natural calamities. Insurance covers indemnities for project loss, operational disruption and workers' health, among others.



Emergency drill for flood and strong convective weather prevention



Special drill for flood prevention and drainage

The Group commenced disclosure of climate-related financial information during the Reporting Year and identified extreme high temperature and floods as the major physical risks facing the Group’s business. Through scenario analysis, detailed analysis of the impact of such risks was conducted to further specify the extent of impact of extreme high temperature and floods. This will enhance the Group’s disaster management awareness and its ability in disaster response. For details please refer to “Addressing Climate Change” on pages 36 to 45 of this Report.

Reducing risks associated with safe operations

Enhancing the safety culture

The Group has always been committed to the development of a safety culture underpinned by “Priority of Safety and Life” and the fostering of an ambience for safe production under which everyone is mindful of safety and skilled in handling emergencies, and is in a position to report unsafe behaviours and conditions without worries. To maximise identification of safety hazards, we have implemented a patrol inspection system for our production lines, whereby patrollers inspect the production sites without intermission on a 24-hour basis and immediately report any problems, hazards and deficiencies to supervisors once the same are identified. In connection with safety and environmental management, a dual prevention mechanism has been implemented whereby staff at all levels carry out hazard inspection according to plans and report to their supervisors for rectification in a timely manner.



During the Reporting Year, we continued to enhance safety supervision and inspection on the back of protection offered by our rules and regulations, while further enhancing safety awareness of all staff and fostering the safety culture through the organisation of a significant number of safety education and training sessions.

Standardisation of operations:

All projects shall formulate and adopt standardised operational procedures (SOP). Safe operation rules specific to different business types, operational sites, production systems and production sections should be formulated. All projects should review and update their SOP from time to time in response to changes in actual conditions, in order to ensure its applicability and validity.

Safety supervision:

100% of our safety and environmental branch leadership and dedicated safety and environmental management personnel held certificates⁸

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

Safety inspection:

As required under our rules and regulations:

4 quarterly inspections

Not less than **12** special inspections

Not less than **4** sessions of training and exchange at the headquarters level

Engineering Management Department organises safety supervision and inspection on projects under construction according to the work sections

All business management centres organise one safety supervision and inspection exercise over operating projects each quarter

In 2023,



1,331
safety inspections

Safety inspection covered
100%
of our projects

100% progress for rectification of general incidents and hazards

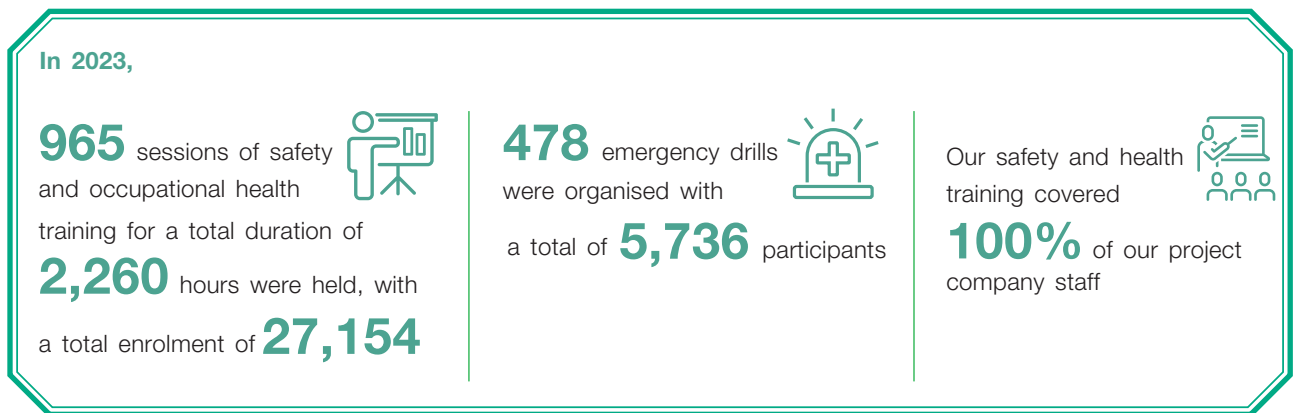


⁸ Internal professional safety qualification certificate.


Training and emergency drill:


As required under our rules and regulations:

In addition to induction training and the possession of relevant certificates as a condition to starting in a position, the principal officer and safe production management personnel of an enterprise must attend safe production training on a regular basis and register no less than 12 training hours of refresher training each year. The principal officer and safe production management personnel of an enterprise engaged in dangerous chemical products must register no less than 16 training hours of refresher training each year. All relevant personnel are strictly subject to this requirement. In connection therewith, the Group organises considerable safety training sessions for its staff each year and incorporates such training into the annual appraisal of projects, safety management department, branch management of the Group.



Emergency plans and procedures

 In strict accordance with CEEGL Administrative Regulations on Emergency Response to Production Safety Incidents, a complete emergency management model has been established stipulating the emergency response process and handling procedure to enhance our ability to respond to various types of emergencies and handling efficiency.

 At the project level, each project should formulate its own locally adapted project emergency plans subject to regular review in accordance with pertinent national laws and regulations and based on its own business type and characteristics, local geological and climatic conditions and characteristics and the safe production management requirements of local governments, in order to reduce the probability and severity of safety and health incidents.



Safe Production Month activities



Comprehensive emergency drill for poisoning, suffocation and fire



Special drill for accidents in limited space operations in leachate lifting wells (special operations)



Comprehensive emergency drill for safe production incidents

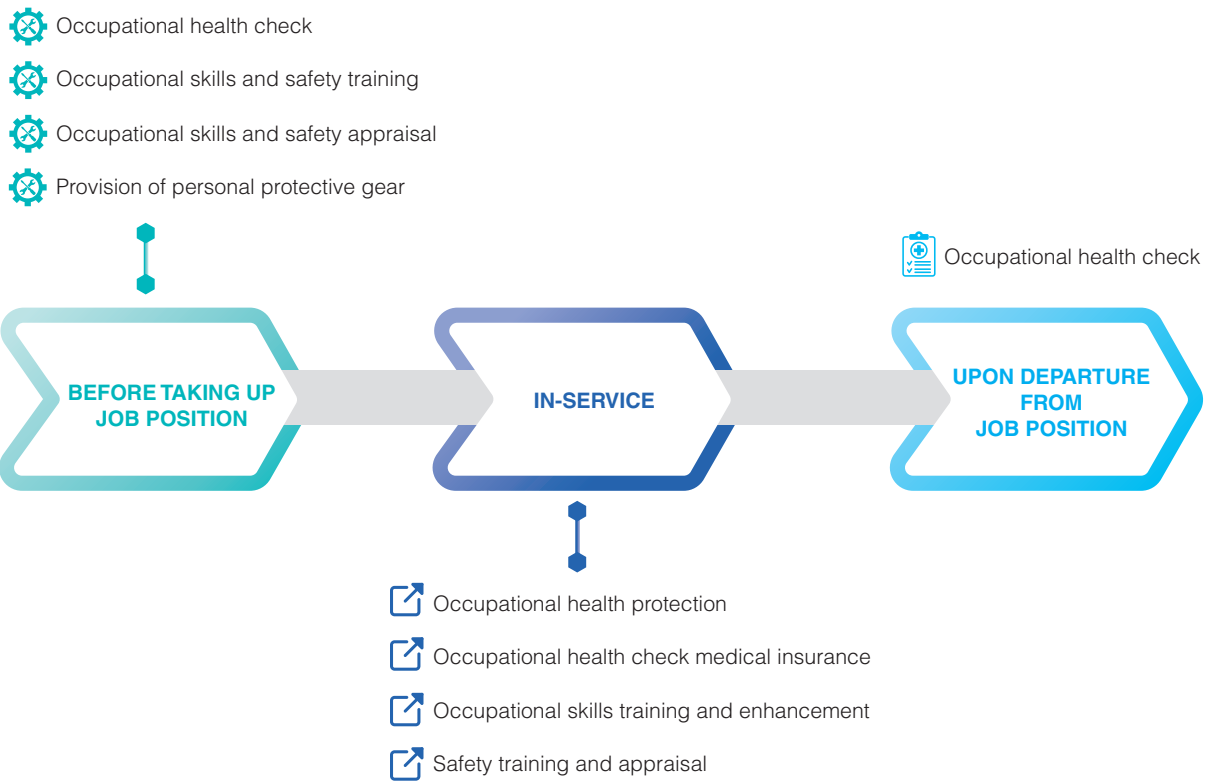


Reduction of occupational risk

In addition to the adoption of various measures to alleviate occupational risks at work venues, the Group also provides different forms of occupational health inspection for employees in accordance with provisions under the Occupational Health Supervision Management Standard. These include occupational health inspection prior to taking up a job position, in-service occupational health inspection, occupational health inspection on leaving a job position, emergency health inspection and special employee health protection, among others. The Group undertakes to keep the personal occupational health monitoring and protection files of employees in a proper manner and keep strictly confidential the personal health information of employees.

Moreover, the Groups also provides annual health inspection and medical insurance for all employees to help them understand their own health conditions in a timely manner, alleviate the burden of illness and keep personal health in good conditions.

Employees' health and safety training has always been one of the most important means to enhance the health and safety awareness and first-aid competence of employees. The Occupational Health Management Standards stipulates that the General Management Department should formulate an annual occupational health education and training programme to be included in the Group's annual safety education and training programme. In addition, all newly recruited employees, reassigned employees and contract workers should receive occupational health education and training in areas such as laws and regulations on the prevention of occupational diseases and occupational disease hazards at work venues and emergency measures, among others. They shall further be subject to appraisal after such training and may only formally assume their job positions with a passing result from the appraisal. Moreover, in-service employees and long-term contract worker shall receive occupational health education and training at least once a year.





During the Reporting Year, the Group's project companies have organised employees to participate in OHS training in areas such as occupational health, cardiopulmonary resuscitation first-aid, fire safety, heatstroke prevention and electrical safety, among others.



Occupational health training for employees

Informatisation of safety management

Over the years, the Group has persisted in advancing and strengthening the development of information-based management and systems and has completed the establishment of a sophisticated production management system incorporating safety production management. The system covers aspects such as investments for safety cost, education and training, emergency rescue, fire safety management, accident management, safety inspection and contractor management, among others. On the one hand, the operation of this management system has facilitated more regulated management of working schedule and switching sequence to enhance the standardisation of maintenance and important operations of equipment, while also contributing to the close-loop management of hazard rectification to increase its efficiency. On the other hand, it is also conducive to the sharing, exchange and learning among projects of experiences in safety and environmental management, such that the safety and environment ledger becomes more complete and management becomes more standardized.

Smart safety defense system: a customised video smart control solution built around the AI algorithm engine, algorithm management platform and algorithm development training platform and based on the actual scenario of project plant sites. The system sends out instant safety warning by designating regions of interest, constructing identification models, identifying unsafe actions and environments, which helps to eliminate hazards and prevent the occurrence of safety incidents. Currently, the system is operating on a trial basis at the Group's two projects in Huangshi and Dingyuan. Preliminary system building and training for certain models have been completed, such as the identification of unsafe actions (e.g., wearing of safety helmet and fall) and unsafe environments (e.g., identification of smoke and fire), among others.

Examples of safety algorithm

Algorithm for vehicle's safety lock by ground anchor

Procedure of identification

- Step
1

Unloading vehicle arrives at designated region of interest ("ROI")
- Step
2

Inspect whether vehicle stop for more than 30 seconds
- Step
3

Identify through algorithm whether vehicle is restrained by safety lock



Algorithm for safety rope harnessing by worker on the unloading platform

Procedure of identification

- Step
1

Identify whether worker is entering designated ROI
- Step
2

Inspect whether safety rope is tied round the worker's waist as required
- Step
3

If negative, the system sends out warning and activate the on-site warning device





Algorithm for whether the driver on the unloading platform disembarks



Monitoring vehicle backing up



Whether the driver disembarks

Procedure of identification



Designated vehicle enters ROI



Inspect whether driver disembarks within 30 seconds after vehicle's entry into the region



Send out warning message and activate warning device

The objectives of building our smart safety protection system:



At the project level: to provide functions such as automated recording of identification of plant personnel, discovery of non-compliant operations and safety hazards and closed-loop hazard elimination, support uploads and organisation of mobile phone snapshots using the Wechat mini-app, as well as analytical functions relating to plant personnel control analysis and safe production risk control and rating.



At the level of the headquarters and business management centres: to inspect and instantly display smart identification results of subsidiary units and plants to obtain information on safe production risks at the sites of the subsidiary units, conditions of personnel entering the plants and information on non-compliance.



Green Recycling

Enhancing environmental management

The Group has set up a Safety and Environmental Management Committee to coordinate the environmental management, and has required project companies to establish safety and environmental management departments with dedicated safety and environmental management officers and develop environmental protection systems and regimes at the project companies. We have appointed the general managers of project companies as the primary officers in-charge for environmental protection to be responsible for advancing the development of sound accountability systems for environmental protection, and have set out the responsibilities of all departments and employees of all grades and positions in environmental protection.



Our environmental management goals in 2023:

rigorous prevention of environmental incidents of level 4 or above⁹



⁹ Incidents are classified into different levels according to the Administrative Regulations on Safety and Environmental Incidents published by CEEGL.



During the Reporting Year, the Group operated in strict accordance with the environmental systems and procedural documents published by the parent company CEEGL (for details please refer to “Appendix 2: List of Important ESG Policies” on pages 127 to 129 of this Report). The Group published the ESG Policy in 2020 to ascertain its core principles and objectives in the environmental and social aspects and provide guidance to the Group’s day-to-day operation. Meanwhile, to further enhance the standard of its environmental management initiatives, the Group revised and published the Ecological and Environmental Protection Management System in 2021 to set out specific regulations on the organisational setup for environmental management and its duties, environmental protection management for new construction project, project conversion and project extension, environmental protection management for operating projects, waste water and rain water management, exhaust gas management, solid waste management, noise management, environmental information management, environmental risk management, environmental protection ledger management and corresponding investigation and appraisal. The policy is highly systematic, comprehensive and operable and plays an important role in improving the environmental management regime and enhancing the Group’s environmental management standards.



In 2023, **No** material incidents involving violation of environmental laws and regulations occurred.

Enhancing day-to-day management

In day-to-day management, the Group places a strong emphasis on permissions for pollution discharge, management of environmental facilities and eco-friendly consumables. Project companies are required to handle pollution discharge in accordance with the discharge permits issued by the State, conduct self-tests and develop an accurate and complete environmental protection ledger, sound operational conventions for environmental facilities and ledger for the operation of environmental facilities. Inspection of environmental equipment and facilities should be carried out and stringent control exercised in respect of the quality of consumables for environmental facilities.

In the meantime, the Group has also laid down specific requirements for environmental education and training and emergency management. Project companies should formulate environmental education and training programmes and conduct training sessions which shall be documented by training records; emergency plans for environmental contingencies should be formulated in accordance with regulations and submitted to competent environmental authorities and pertinent departments for filing purposes. Emergency drills should be conducted in accordance with relevant plans, with general and specialised emergency drills held at least annually and emergency drills on on-site handling at least 2 times per year.



Emergency drill for dosing tank cylinder leakage accident



Emergency drills for environmental emergencies



Environmental risk and information management

Environmental risks include air pollution, solid waste pollution, water pollution, fugitive pollution and other environmental risks. The Group has set out detailed and practicable management requirements in respect of the aforesaid risks to ensure comprehensive performance of its environmental duties on top of the stable operation of projects.

In terms of environmental information management, the Group formulates and publishes annual environmental self-monitoring plans in strict accordance with the requirements under national standards and regulations as well as environmental assessment and pollution permits for project construction. Qualified third-party professional monitoring institutions are appointed to conduct on-site monitoring in accordance with the annual environmental monitoring plan. The automated monitoring equipment for air pollution or sewage discharge is connected to the monitoring equipment of competent ecological and environmental authorities to ensure the normal operation of such monitoring equipment and disclosure of emission data in accordance with the law. Meanwhile, the Group acknowledges the rights of existing people and other stakeholders to know, and welcomes all members of the public to visit our projects.

In 2023,



the Group conducted
161
open-to-the-public activities
in Mainland China



hosted **3,716**
visitors from all sectors



Teachers and students from Hubei Normal University visiting Huangshi Solid Waste Disposal Project



Environmental protection facilities open to the public



Environmental education to local primary school students

Inspection of environmental management

The Group carries out supervision and inspection of environmental management at its projects through multiple means and has developed a complete environmental management module, on the basis of which we carry out inspection, appraisal and assessment of environmental management at the projects.

Through the Group’s online environmental monitoring platform, the Environmental Management Department is able to monitor emissions at the projects on a real-time basis. The platform records environmental monitoring data of the projects, warning information and marking information with real-time updates, while keeping in files the monthly environmental reports of projects available for inspection and supervision by management departments at any time.

The Environmental Management Department carries out major safety and environmental inspection exercises on a quarterly basis with a special focus on inspecting the development of systems and regimes, organisational setups and performance of related duties for environmental management, day-to-day management, environmental risk and information management and hazard inspection at project companies. This is followed by the award of scores and assessment according to the assessment rules under the management module, while points will be deducted and rectification measures will be proposed if issues are identified during the inspection. After the completion of inspection, an inspection report will be generated and the inspection conclusion will play a decisive role in the appraisal and evaluation of the annual work tasks. Project companies with outstanding performance in this aspect will be strongly recommended for inclusion in CEEGL’s list of showcase projects for safety and environmental management and outstanding cases, and their practices of excellence will be shared and promoted as an incentive to encourage project companies to commit further time and energy to safety and environmental initiatives, so as to ensure continuous improvements in the overall standard of the Company’s safety and environmental work.

Everbright Environmental Protection Hazardous Waste Treatment (Zibo) Company Limited¹⁰, EB Greentech Technology (Wuxi) Limited¹⁰, Lishui Everbright Environmental Solid Waste Treatment Limited¹⁰, Everbright Environmental Solid Waste Treatment (Xinyi) Limited, Everbright Solid Waste Landfill (Xinyi) Holdings Limited, Suntime Environmental Remediation CO., Ltd and Everbright Environmental Remediation (Jiangsu) Limited were certified with the


ISO14001 system.

Advancement of pollution and carbon reduction

Reducing pollutant emissions

Ultra-low emission transformation

On top of compliance with pertinent national environmental laws and standards, to ensure simultaneous compliance of its projects with higher emission standards of different regions and eliminate compliance risks, the Group has invested substantially to actively conduct ultra-low emission conversion at its biomass and waste-to-energy projects, in order to further lower the emission concentration of air pollutants such as particulates, nitrogen oxides and sulphur dioxide, thereby helping to improve air quality in localities where the projects were operating.



More than RMB **73** million has been invested in **12** ultra-low emission projects



¹⁰ For identification purpose only.



Waste management

Solid waste generated by the Group's operations originates mainly from the integrated biomass utilisation and hazardous and solid waste treatment business. Specifically, this includes: ash and bottom ash (both non-toxic) from biomass projects, ash (toxic) and bottom ash (non-toxic) from waste projects, ash and bottom ash (both toxic) from hazardous and solid waste treatment projects and sludge (toxic or non-toxic) from project sewage treatment facilities, among others. For more detailed information on different types of waste and volumes generated, please refer to "Appendix 3: KPI Overview" on pages 131 to 135 of this Report. In terms of disposal, the transfer of toxic waste is handled by qualified third parties before being safely buried in landfills. The majority of non-toxic waste is being recycled. The Group has established an industrial solid waste management ledger to keep accurate records of information such as the types, volumes, whereabouts, storage, utilisation and disposal of industrial solid waste, in order to ensure that industrial solid waste is traceable and facilitate relevant enquiries.

Our disposal of toxic and non-toxic waste generated from operations is conducted in accordance with 3 basic principles:



Recycling: consideration should be given first and foremost to the integrated utilisation of solid waste generated with the adoption of internal measures of the Company to turn waste into valuables, or handling by third parties as valuable substance.

Reduction: driving clean production, reducing the volume of various types of waste generated, or adopting measures of internal consumption to reduce the volume of waste requiring disposal.



Detoxification: stipulating the installation of temporary solid waste storage and hazardous waste storage to ensure against pollution of the environment by the solid waste.

The Group's projects have established a comprehensive system for the prevention and treatment of environmental pollution in connection with the end-to-end process of the generation, collection, storage, transportation, utilisation and disposal of solid waste, actively adopting measures to reduce the generation of solid waste and preventing pollution of the environment by industrial solid waste, while consistently investigating new channels for solid waste recycling. For details of the Group's solid waste recycling initiatives please refer to pages 72 to 74 of this chapter.




Wenling Solid Waste Treatment Project was named "Cell of Waste-free City 2023"

Low-carbon operation and business innovation

Low-carbon project construction

The construction of solar power projects, as a form of zero-carbon energy, is one of the means with which the Group contributes to China’s effort to achieve carbon neutrality and advance low carbon emissions. During the Reporting Year, the Group was focused on new energy as it enhanced the development of solar projects to further expand the presence of its solar energy business.



In 2023, the Group acquired **10** new solar energy projects with an aggregate installed capacity of approximately **99.7** MW, bringing the total designed capacity of its solar energy business to **130.74** MW¹¹.



Electricity generated by the distributed solar energy power stations in the plant is for internal consumption, while any excess will be supplied to the power grid, such that some of the unused roofs are transformed into green production lines of project companies which could lower the electricity costs of the projects while enhancing the green power ratio for such projects and the regions where they are located. During the Reporting Year, the Group is starting the operation of distributed solar energy power stations at 3 project plants and is preparing to construct a distributed solar energy power station at 1 project plant.



Wenling Solid Waste Treatment Project has constructed solar energy facilities at locations such as rooftops of the plant buildings, accident pools, preliminary rainwater captures with an installed area of approximately 12,000 m², and an aggregate installed capacity of approximately 1.6MW.



Xinyi Solid Waste Treatment Project has constructed solar energy facilities at locations such as building rooftops at the landfill and pool surfaces with a total installed area of approximately 2,162 m², and an aggregate installed capacity of approximately 0.2MW. Xinyi Hazardous Waste Treatment Project has also constructed solar energy facilities at locations such as building rooftops in the plant area and pool surfaces with a total installed area of approximately 9,218 m² and an aggregate installed capacity of approximately 0.91MW.



Linshu Hazardous Waste Incineration Project utilises the existing building space of the plant site to install solar power facilities at the common engineering building, integrated pump chamber, mechanical repair workshop and laboratory, respectively, occupying an area of approximately 2,000 m² and providing installed capacity of 0.4MW.

¹¹ Excluding the distributed solar energy facilities in plant sites.



Low-carbon business innovation

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


The Group has entered into a cooperation agreement with Jiangsu King's Luck Brewery Joint-Stock Co., Ltd. ("King's Luck") to advance projects for the development of the energy and carbon management platform and virtual power plant trading platform of King's Luck Zero Carbon Park. The energy and carbon management platform of King's Luck Zero Carbon Park is designed to manage and monitor energy consumption at enterprises through digital means, including the collection, monitoring, analysis and optimised management of energy data, as well as functions such as carbon stocktaking and carbon reporting, among others. Through the platform, users could conduct real-time monitoring, data analysis and energy efficiency optimisation in respect of energy consumption, as well as carbon footprint analysis and carbon reduction management, with the aim of turning all plants in the industry park into zero-carbon facilities. Meanwhile, the virtual power plant trading platform seeks to integrate the solar power generation and energy storage systems and facilitate virtual integration of power with the aid of IoT technologies, so as to achieve maximum utilisation of green power generated and thereby gaining maximum economic benefits.

Currently, the infrastructure for the energy and carbon management platform of King's Luck Zero Carbon Park has been completed and the development of its data ingestion and cockpit is underway to ensure compliance of various technical parameters with the operating requirements of a zero-carbon factory.



Songyang Smart Energy Storage Project, built by the Group through its subsidiary Songyang Guangjie Solid Waste Treatment Limited¹¹ with a capacity of 1.2MW/2.796MWh and a response-on-demand software platform completed by a third-party service provider and Ali Cloud, completed its first test run of power charge and discharge in June 2023.





In 2023, the energy storage project facilitated electricity cost savings of approximately
RMB **417,000**.

Low-carbon life initiatives

The Group actively encourages all employees to follow the CEEGL Low-carbon Life Initiatives for All Staff published by CEEGL in 2021:




Healthy diet



Less power consumption




Less water consumption



Less fuel consumption



Less gas consumption



Generate less waste



Support waste sorting



¹¹ For identification purpose only.



Increment of green area

According to the United Nations Environment Programme, the best way to control carbon emission is through “carbon sink”. The absorption of carbon dioxide by plants through photosynthesis is an important part of biotic carbon sequestration. Hence, the Group has sought to enhance carbon sink by increasing the green area at projects on top of reducing GHG emissions.

The plants of the Group’s environmental projects have a green area of 924,788 m² in aggregate. Upon the completion of environmental remediation projects undertaken, we are expected to provide close to 310,588 m² of green land to the community. Moreover, the project companies organise their employees to take part in tree-planting activities every year to further increase the green area at projects and enhance the greenness of the local ecological environment. We are also going to gradually place more green plants in staff quarters and offices and encourage employees to decorate their own workspace or residential environment with green plants, which will not only brighten up their moods, but would also contribute to the Group’s initiative in carbon reduction.



Tree planting activities

Driving the circular economy

According to the Planning for the Development of Circular Economy under the 14th Five Year Plan published by the National Development and Reform Commission (“NDRC”) in 2021, by 2025, the circular approach to production should have been fully implemented, the ability in the integrated utilisation of resources notably enhanced, an industrial regime based on resource recycling industry basically established, efficiency in resource utilisation substantially enhanced, the proportion of regenerated resources replacing original resources further increased, and resource security further supported and protected. Similar views have been raised in the Guiding Opinion on the Accelerating Construction of a Recycling System for Waste Materials published by 7 departments, led by NDRC, in January 2022, which called for the further improvement of the policy and regime for recycled use of waste and obsolete materials and further enhancement of the level of recycled use of resources by 2025.

Increasing our resource utilisation rate

Our business:





Other measures:

Increasing the added value of project by-products

To expedite the recycled use of biomass ash and further increase the added value of project by-products, the Group has been actively engaged in feasibility studies in relation to the manufacturing of active micro-powder, aerated concrete, plate, permeable concrete, steam-cured brick, among others, using biomass ash. Our research has indicated that biomass ash generated from the majority of our projects could be used in the manufacturing of a variety of construction materials by adjusting the proportion of ash mix.

Manufacturing baking-free bricks with biomass ash: Baking-free brick is a novel wall material that complies with China's general directive for the development of construction materials, which is "protecting farmland, conserving energy, customising according to locations and acquiring materials on the spot". Cleaner and more eco-friendly compared to ordinary wall materials with extensive applications, baking-free brick has been in greater market demand since recent years. Research indicates that the baking-free bricks manufactured by the Group's projects could reach construction industry standards and claim the advantage of a high ratio of solid waste utilisation and conservation of land resources.

Cement stabilisation materials made with biomass ash: The cement-stabilised gravel layer is a major component of higher-grade driveways. Cement consolidation agent is made with gravel in a designated proportion to give more solidity to the base layers by exerting pressure. The research, test and deliberation conducted by the Group's technology research institute indicates that biomass ash could be used to manufacture cement stabilisation materials that meet the requirements for the base course and sub-base course of roads at heavy-traffic grade or below. In tandem with the practical requirement at present for converting ashes into construction materials, it could solve the current risk of stacking ash and environmental hazards for the biomass projects to a considerable extent, while turning waste into value-added products to maximise the utilisation of biomass ash.

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



In 2023,
an aggregate of **2,714,365** tonnes of ash was put to
integrated utilisation including

**the production of organic
fertilisers, construction materials
and road base materials.**



Resource utilisation

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

EB Greentech Technology (Wuxi) Limited¹² (“Wuxi Technology”) has a long-term commitment to the integrated regeneration disposal and hazardfree treatment of PCB solid waste (a type of electronic wastes) in the Yangtze River Delta region. Wuxi Technology also has two subsidiaries, Jiangyin Zhongxin Resource Recycling Company Limited¹² (“Jiangyin Zhongxin”) and Kunshan Zhonghuan Industrial Company Limited¹² (“Kunshan Zhonghuan”). Wuxi Technology has an annual processing capacity of 30,000 tonnes of etching waste liquid with copper contents, 10,000 tonnes of waste liquid from tin removal and 53,000 tonnes of sludge with heavy metal contents (under application). Jiangyin Zhongxin has an annual capacity for the disposal of 10,000 tonnes of etching waste liquid with copper contents. Kunshan Zhonghuan has an annual capacity for the disposal of 18,100 tonnes of etching waste liquid containing copper contents and 3,000 tonnes of waste liquid from tin removal. Recycled products generated from these projects include copper sulphate, copper hydroxide, new etching liquid, tin hydroxide, regenerated tin stripping liquid and mud brick, among others.

Songyang Integrated Hazardous Waste Treatment Project, which has an industrial hazardous waste processing capacity of 100,000 tonnes per annum, adopts the “steam drying — revolving kiln drying and baking — alloy furnace smelting process” and generates products such as Ni-Fe alloy and water-granulated slag in a successful attempt to transform hazardous waste into resources through hazard-free processing.

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



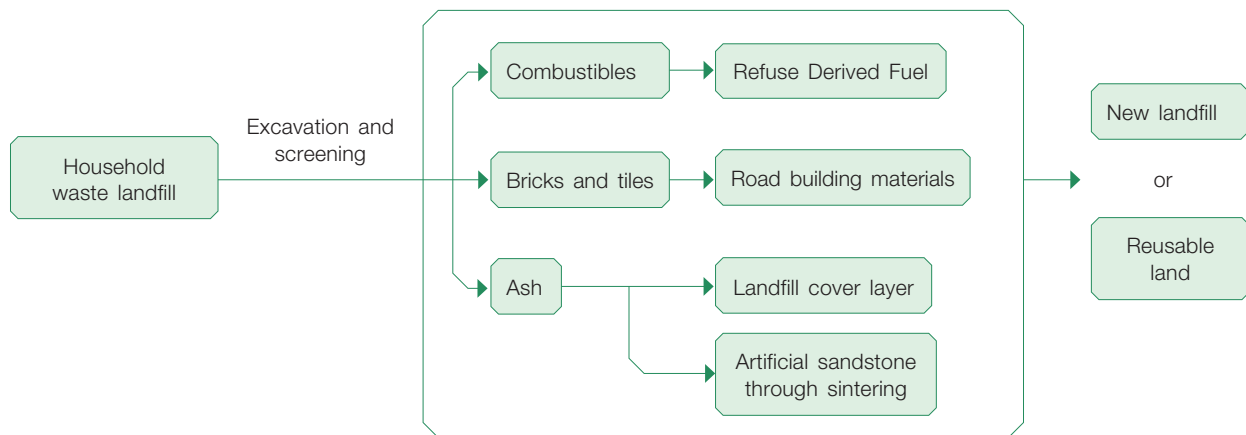
¹² For identification purpose only.



Model of “sustainable landfill”

The Group actively investigates the integrated treatment of garbage landfill and transformation of garbage landfill into mining resources, with a view to creating a model of “sustainable landfill” by closely combining the detoxification, reduction and value-added processing of garbage. This model is bringing new business development opportunities to the Group.

Sustainable landfill will facilitate the recycling of landfill sites and decayed garbage. We will develop means to utilise decayed garbage in landfill during the process of exploiting and screening decayed garbage. Sites made available by exploiting decayed garbage can be used as landfill for new garbage, such that landfills can be used repeatedly. Decayed garbage exploitation would not only increase our income, expand our storage capacity and prolong the lifespan of existing sites, it could also help to convert the anti-seepage layer, remove hazardous wastes and reduce maintenance and supervision cost after the site is sealed. This is extremely significant for conserving land resources and saving the costs for constructing landfills.



Tracking developments in circular economy

Business model transition

The Group’s principal businesses include integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation, solar energy and wind power, which are distinctively characterised by the conservation and recycled use of resources and environmental harmony in tandem with the core concept of circular economy. To further align with the nation’s direction of developing a circular economy, the Group has expanded the scope of its hazardous and solid waste treatment business to cover general industrial solid waste, treatment of tyre recycled and value-added recycling of hazardous metal waste, in a bid to transform itself into an industrial environmental service provider.

General industrial solid waste: Development of general industrial solid waste incineration and treatment process compatible with the conditions in China to supply green energy and steam to places where the projects were located and their neighbouring areas.

Treatment of tyre recycled: Production of recycled carbon black after processing end-of-life tyres with pyrolysis technologies. Out of one tonne of tyre recycled, 12% could be made into premium steel, 12% into combustible gas, 40% into petroleum and 36% into carbon black.

Metal hazardous waste recycling: Extraction of valuable metals, such as nickel and copper, in hazardous waste to produce copper sulphate and nickel alloy for sale.

The end-of-life tyre integrated utilisation business is in line with the principles and requirements of circular economy and relevant national industrial support policy. We have been actively identifying the value of integrated utilisation of end-of-life tyres:

<div style="background-color: #76b82a; color: white; padding: 5px; text-align: center; font-weight: bold;"> Production of renewable rubber from end-of-life tyre of load-bearing vehicles </div> <div style="padding: 10px; text-align: center;"> End-of-life tyre of load-bearing vehicles can be used in the production of renewable rubber to make up for insufficient rubber resources </div>	<div style="background-color: #2e8b57; color: white; padding: 5px; text-align: center; font-weight: bold;"> Production of fuel oil, carbon black and steel wire from sedan cars and small tyres through pyrolysis </div> <div style="padding: 10px; text-align: center;"> Major products derived from pyrolysis processed end-of-life tyre of sedan cars and small tyres include fuel oil, carbon black and steel wire </div>	<div style="background-color: #1e9090; color: white; padding: 5px; text-align: center; font-weight: bold;"> High value-added products manufactured from renewable rubber </div> <div style="padding: 10px; text-align: center;"> Manufacturing of high value-added products such as crashproof barrels placed on highways </div>
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The Group has constructed an integrated end-of-life tyre utilisation project in the Changleshan Circular Economy Industrial Park in Xialu District, Huangshi. Occupying a site of 195 mu with an investment amount of approximately RMB350 million, the project has a designed processing capacity of 100,000 tonnes of end-of-life tyre per annum. The project applies the process techniques of “pre-processing, revolving pyrolysis, recycled tyre pyrolysis oil, noncondensing gas and carbon black” with the adoption of micro negative pressure low-temperature pyrolysis technology which controls the pyrolysis temperature in the pyrolytic boiler at below 430°C. After the stability operating of the project, the steel wire, pyrolytic oil and carbon black generated will be by-products sold to market.



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





Energy Management

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




Based on their individual operating statuses and tailored to local conditions, our environmental projects have adopted measures to reduce total energy consumption and optimise their energy mix, thereby lowering GHG emission:










Integrated biomass utilisation projects:

- reducing the overhaul time of biomass and waste-to-energy projects to lower fuel and electricity consumption incurred during the process of starting and turning off the machines and reduce the external purchase of electricity
- optimising management of the waste silo for waste-to-energy power generation, increasing the calorific value of fuel intake to reduce consumption of fossil fuel in combustion
- increasing the fuel localisation rate in regions where conditions are favourable to reduce consumption of fossil fuel required for the transportation of biomass fuel
- optimising fume purification process technique to reduce energy consumption
- optimising and introducing conversion to devices such as the air compressor and the SNCR spray gun as well as the design of household waste incineration ash chelating equipment to reduce energy consumption
- Making full use of heat sources of the plant site to utilise residual heat from boilers to provide thermal insulation for the waste silo and supply to the heat generation and exchange station in winter, among others





Hazardous and solid waste treatment projects:

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



Environmental remediation projects:






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

Water management

The Group is committed to the reduction of fresh water consumption as it vigorously promotes waste water recycling. Waste water generated by the Group is either processed in the municipal waste water treatment network, internally processed by the Group and discharged after complying with relevant standards, or subject to zero discharge, in order to minimise the impact of project operation on the local water environment and water resources. The Group has published the Water Resources Management Policy which stipulates that all project companies should adopt adequate measures to ensure control over the total volume and efficiency of water consumption. To implement the national and provincial principle of prioritising water conservation, our operations in all regions have been actively advancing water conservation initiatives to enhance the efficiency of water consumption and alleviate water stress.



Our water conservation measures:

-  implementation of zero waste water discharge at project fulfilling relevant conditions to recycle waste water for use in production
-  conversion of water pipes to increase the efficiency of recycling waste water from production
-  collection of rain water for use in production processes such as circulatory cooling
-  regular inspection of water transmission system to resolve leakage problems
-  maximum reuse of reclaimed water to reduce fresh water consumption

Honours in water conservation:

Name of company	Honours in water conservation
Everbright Biomass Energy (Guixi) Limited	First Water Conservation Enterprises of Yingtan
EB Urban and Rural Renewable Energy (Huai'an) Limited	Jiangsu Provincial Water Conservation Enterprise
Everbright Biomass Energy (Lianshui) Limited	Jiangsu Provincial Water Conservation Enterprise
Everbright Biomass Energy (Xuyi) Limited ¹³	Jiangsu Provincial Water Conservation Enterprise
EB Greentech Biomass Energy (Suzhou) Limited	Anhui Provincial Water Conservation Enterprise
Everbright Biomass Energy (Huaiyuan) Limited	Anhui Provincial Water Conservation Enterprise
Everbright Biomass Energy (Chuzhou) Company Limited ¹³	Anhui Provincial Water Conservation Enterprise
Everbright Biomass Cogeneration (Liu'an) Company Limited ¹³	Anhui Provincial Water Conservation Enterprise
Everbright Biomass Energy (Weihai) Limited	Shandong Provincial Water Conservation Enterprise
EB Urban and Rural Renewable Energy (Guanyun) Company Limited ¹³	Jiangsu Provincial Water Conservation Enterprise
EB Greentech Urban and Rural Renewable Energy (Fengxian) Limited	Jiangsu Provincial Water Conservation Enterprise



In 2023,

Approximately **6.9 million** cubic metres of waste water from other entities was utilised and approximately

2 million cubic metres of sewage was recycled

15 projects reported zero discharge of waste water

¹³ For identification purpose only.

Concern for natural capital

Nature-related Policy

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

The Group is aware that biodiversity is closely associated with its long-term development. In 2021, the Group formulated its Biodiversity Policy to ensure all projects in which the Group has a controlling interests would conduct biodiversity assessment in connection with their business operations, as well as to stipulate specific requirements for projects under preparation and projects under construction in order to reduce any negative impact on the neighbouring environment and biodiversity.

The Group appreciates that it is dependent on nature to generate economic and social benefits, while at the same time it will also impact nature through its direct operations and activities along the value chain. Any loss in natural capital would have a negative effect on its ability to provide ecosystem-related services, thereby affecting corporate development and the stability of the global community and economy. Therefore, the Group formulated and published the Nature-related Policy in 2023 with the aim of enhancing awareness for the protection of nature and concern for natural capital of staff of the Company at all levels. Meanwhile, the policy calls for the Group to ascertain the direction for alleviating and accommodating nature-related risks (including the loss of biodiversity) at an early stage, such that it could review and optimise its development strategy in a timely manner, thereby effectively avoid, reduce, alleviate and manage nature-related risks that could result in operational disruption and financial loss for the Company.

In connection with the protection of natural capital, the Group has undertaken to:



adopt measures to protect nature throughout the full life cycle of the projects



implement the concept of conservation in a persistent manner



stringently comply with nature-related laws, regulations and policies



render full respect for indigenous peoples, local communities and other stakeholders



reduce negative impact on the environment to the best of its effort



seize nature-related opportunities to drive the Company's development



In connection with the protection of nature throughout the full life-cycle of the projects:

Stage of preparation

- The choice of site during planning should be conducted in strict accordance with the red-line regulatory rules of national and local governments for ecological protection and consideration should be given to the overall conditions of land use in the surrounding areas.
- Operation in areas with a high natural value should be avoided, while plans should be made to curb the negative impacts on the ecological environment of the project location.
- The right of information and consent of the indigenous peoples, local communities and other stakeholders should be respected and the views of local residents should be sufficiently heard when conducting surveys with public participation.

Stage of construction

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

Stage of operation

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

The aforesaid policies are applicable to all companies over which the Group exercises operational control, while our investee companies and joint ventures, among others, are also encouraged to comply with such policies. Our corporate partners are recommended to run the joint projects with reference to such policies, and suppliers are also encouraged to take reference to such policies.

Impact on natural capital

The Group’s operating activities help to protect the natural environment and alleviate the pressure on biodiversity brought by changes in the external environment (such as climate change, environmental pollution and excessive consumption of natural resources including water):

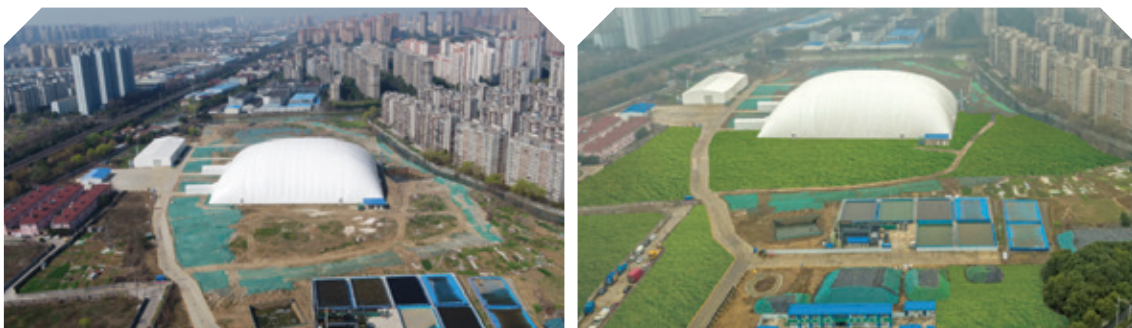
- We collect and centrally handle toxic and non-toxic waste and curb the proliferation of urban and industrial pollution towards soil, water bodies and the atmosphere, thereby helping to maintain the health and stability of the ecological environment;
- We recycle waste and generate clean energy to reduce the burning of fossil energy, thereby avoiding GHG emission to a certain extent;
- Our environment remediation business carries out treatment for soil pollution, integrated treatment of waste landfill and restoration of the aquatic ecology in river basin areas, among others, in an effort to restore damaged environment to nature-friendly conditions.



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



Yingtian Household Waste Landfill Operations and Management Service Project — before and after restoration



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



Meanwhile, our operating activities might result, directly or indirectly, in a negative impact on the local environment, including the consumption of natural resources (such as fresh water), pollution discharge and GHG emission during the process of operation which are compliant with relevant standards, as well as the potential impact on certain biological habitats. Nevertheless, the Group has formulated comprehensive environmental management policies to avoid and alleviate such negative impact.

Moreover, in 2023, the Group adopted the Integrated Biodiversity Assessment Tools (“IBAT”) to assess the impact of project activities operated or controlled by the Group on biodiversity in accordance with the International Union for Conservation of Nature’s Red List of Threatened Species, World Database on Protected Areas and World Database of Key Biodiversity Areas, in order to formulate effective investment and operational strategies that would facilitate protection of biodiversity.

Number of protected areas (PAs) within a 50-km radius from the project	Percentage	Number of projects
0	83.33%	60
1	9.72%	7
2	6.94%	5
3	0.00%	0
4	0.00%	0
≥5	0.00%	0

Protected areas are areas designated and managed through legal or other effective means for the purpose long-term conservation that would provide relevant ecosystem services and cultural values. Based on the aforesaid analysis, approximately 83% of the Group’s projects are located neither within or nearby protected areas, approximately 10% and 7% of its projects are located at sites where there are one to two protected areas within a 50-km radius. No projects are located nearby three or more protected areas.





Number of key biodiversity areas (KBAs) within a 50-km radius from the project	Percentage	Number of projects
0	52.78%	38
1	31.94%	23
2	9.72%	7
3	1.39%	1
4	1.39%	1
≥5	2.78%	2

Key biodiversity areas are areas that are significant for the maintenance of global biodiversity, including land, river and marine ecosystems. According to the above table, approximately 53% of the Group’s projects are located neither within or nearby key biodiversity areas, approximately 32% and 10% of its projects are located at sites where there are one to two key biodiversity areas within a 50-km radius. Only approximately 5% are located nearby three or more key biodiversity areas.

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

Dependency on natural capital

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

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

To address the situation, the Group has been actively seeking business transformation and investigating new directions for development. For details, please refer to pages 69 to 70 and 75 to 76 in this chapter. Meanwhile, we have enhanced operational management and required all projects to practice conservation of energy and water resources, such as promoting recycled use of water and maximum recycling, among others, in order to reduce dependence on fresh water resources. For details of water and waste water management, please refer to pages 78 to 79 in this chapter. In the meantime, the Group has also enhanced supply-chain management and coordination in the purchase of biomass fuel to ensure stable supply of biomass fuel. For details please refer to "Stable Supply" on page 96 in this Report.

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

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



Green procurement

The Group has been implementing the green procurement concept in multiple dimensions. Through the publication of the Suppliers' Code of Conduct, the Group has elucidated its requirements for suppliers in connection with environment, health and safety, among others. The Group hopes that this would oblige potential suppliers to consistently enhance their own performance in sustainability to comply with the Group's procurement conditions. According to the Group's Suppliers Management Measures, we carry out assessment on suppliers' ESHS performance and assign a more significant weighting to it. Suppliers with higher scores in ESHS performance will receive a higher rating and be advantaged in the Group's next invitation for tenders with a greater chance to be included in the list of invitation. We also conduct assessment on the operating efficiency of equipment provided by equipment suppliers, with a special focus on how much water, energy and other consumables such equipment are consuming. The energy efficiency of equipment is considered in the procurement process, whereby equipment and spare parts with low energy consumption are purchased wherever practicable.

Electronic bidding and procurement: All of the Group's procurement activities are conducted via the electronic tender and procurement platform established by CEEGL. Paper-based tender documents are no longer being used, paper consumption has been reduced with paperless procurement. Moreover, tender submission and assessment are both conducted on an online basis, which greatly reduces the need for experts to travel and evaluate bids in person. As a result, fuel consumption associated with business travels has been significantly reduced to afford a greener procurement process for the Group.

Supply chain localisation: In the selection of suppliers, we are inclined to giving priority to suppliers located in the area where the project is operated. By localising the supply chain, we could enhance the service efficiency of the suppliers, while shortening the distance of transit to reduce carbon emission caused by transportation. Moreover, the Group requires trucks driving in and out of plant areas to be in compliance with the requirements of local environmental laws and regulations and to adopt to the best of their ability to measures to reduce emission.

The Group endeavours to reduce the use of toxic and hazardous products in the course of project operation, in order to provide a safe and healthy workplace for employees. Priority is also given to the use of eco-friendly office facilities and consumables with outstanding energy-saving performance. The purchase of excessively packaged products is avoided and garbage sorting has been introduced in the office area to promote reuse and recycling of resources such as paper and plastics.

The Group has implemented the principle of green operation both internally and externally, as it requires all projects to reduce to the best of their ability the impact of their procurement and daily operation on the natural environment, and to comply with pertinent environmental laws and regulations and requirements in their procurement of products and services. Meanwhile, green procurement education has been actively launched to facilitate vigorous promotion of the concept of green procurement. The Group undertakes to advance green procurement continuously and further formulate its green procurement policy and related guidance documents to guide the implementation of green procurement.

Green finance

Green loans

A new 3-year HK\$450 million green loan was obtained in 2023.



Green bonds

First tranche of 2023 Green Medium-term Note: issued with an amount of RMB1 billion for a term of 3 years. Proceeds from the first tranche of green medium-term note have been invested in 28 projects, including 10 integrated biomass utilisation projects, 6 waste-to-energy and general industrial solid waste heat and electricity cogeneration projects and 12 integrated hazardous and solid waste treatment projects. According to the estimates of Lianhe Equator Environmental Impact Assessment Co., Ltd., projects invested with proceeds from the first tranche of green medium-term note are expected to reduce CO₂ emission by 1,410,500 tonnes, standard coal consumption by 704,700 tonnes, SO₂ emission by 299.28 tonnes, NO_x emission by 346.40 tonnes and smog dust emission by 58.66 tonnes, process 657,000 tonnes of household waste, and reduce solid waste by 418,000 tonnes and hazardous waste by 199,100 tonnes per annum.

Second tranche of 2023 Green Medium-term Note (Rural Vitalization): issued with an amount of RMB1 billion, comprising Type I for a 2-year term and Type II for a 3-year term each with an initial amount of not more than RMB500 million. Proceeds from the second tranche of green medium-term note have been invested towards 23 projects, including 22 integrated biomass utilisation projects and 1 waste-to-energy heat and electricity cogeneration project. According to the estimates of Lianhe Equator Environmental Impact Assessment Co., Ltd., projects invested with proceeds from the second tranche of green medium-term note are expected to reduce CO₂ emission by 400,200 tonnes, standard coal consumption by 200,800 tonnes, SO₂ emission by 103.47 tonnes, NO_x emission by 90.19 tonnes and smog dust emission by 17.99 tonnes per annum.



Stable Supply



Product quality and safety

Stable production

The secure and assured supply of electricity is a key aspect of the nation's current economic endeavours with important significance for ensuring stable operation of the economy and the society. In 2023, energy supply in many provinces was subject to enormous challenge under the weather conditions of consistently high temperature. This represented a priority task for the Group, which actively implemented the nation's plans for "assuring energy supply during the summer peak season", putting in substantial manpower and resources to ensure safe and stable production at the power plants and reliable power supply.

During the Reporting Year, all projects fully cooperated with the requirements of local power grid to ensure the power supply at peak power consumption. The following measures were taken:



The production personnel have conducted real-time monitoring of the generator units, while the professional personnel for the boiler, turbine and electrical facilities closely tracked the monitoring data and facilitated adjustments according to the actual operation of the units.



The patrollers have enhanced on-site monitoring of the parameters of major auxiliary equipment, such as temperature, electric current and voltage.



The safety and environmental personnel have enhanced the equipment monitoring and patrolling with the launch of comprehensive hazard inspection and treatment in respect of key areas and equipment.

↑ Inspection and repair employees have enhanced duty rosters and made preparations for emergency repairs to strengthen deficiency management and improve the quality and timeliness of deficiency elimination.

↑ Major efforts have been made to attain technical breakthroughs that would solve persistent issues affecting the output of generator units in an attempt to continuously improve the “health coefficient” of equipment.



Moreover, to avoid the adverse impact of extreme cold weather on production, the Group’s projects have launched special inspection, completed insulating protection for equipment and facilities and increased the stock-up of production supplies, consumables and emergency supplies in accordance with Notice on Strengthening Safety Production Work in Winter and the End of the Year, in order to avoid any forced suspension of operation or operation at reduced loading, ensuring that our projects would operate as stable and safe environmental service suppliers.

Customer services

Integrated biomass utilisation business

📄 Service Guide for Fuel Customers: to provide detailed operational guide to fuel customers for account opening, delivery and sales and quality inspection. Premium and efficient services have significantly enhanced fuel customers’ experience and satisfaction in cooperation with project companies.

📄 Fuel customer satisfaction questionnaires: for their rating of the performance of the projects in fuel procurement services, customer management, feedstock depot management and probity and self-discipline, on the basis of which ongoing improvements would be made to fuel procurement.






To ensure the quality standard of fuel purchased, the Group requires the project companies to conduct stringent inspection on the quality of incoming fuel, so as to provide customers with professional services and quality improvement on the fuel purchased. Mianzhu Integrated Biomass and Waste-to-Energy Project, for example, has stipulated the following requirements in relation to the inspection of fuel quality which must be resolutely complied with:

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



Hazardous and solid waste treatment business

A customer service department has been set up at each of the Group's hazardous and solid waste treatment projects with a comprehensive customer service system and regime, with a view to maintaining positive interaction and enhancing mutual trust with customers:

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

Environmental remediation business

The environmental remediation segment is principally a service business. Satisfaction poll questionnaires are typically sent to customers after the completion of a service project inviting customers' ratings on the project department in terms of communication and servicing initiative, construction quality, progress and efficiency, construction site safety, environmental and occupational health conditions, inspection, acceptance and services upon work completion and delivery and service, among others, so as to consistently improve and enhance its business competence and service standard with a view to winning more environmental remediation service projects.

Everbright Environmental Protection Hazardous Waste Treatment (Zibo) Company Limited¹⁴, EB Greentech Technology (Wuxi) Limited¹⁴, Lishui Everbright Environmental Solid Waste Treatment Limited¹⁴, Suntime Environmental Remediation CO., Ltd and Everbright Environmental Remediation (Jiangsu) Limited were certified with the **ISO9001** system.



In 2023, **No** significant complaints regarding products, quality and services were received.

Cyber security and privacy protection

Cyber security

The Group directs the development of its information-based systems and cyber security management in strict accordance with the requirements of laws and regulations such as Cyber Security Law, Data Security Law, Law for the Protection of Personal Information Security, Regulations on the Protection of Key Information Infrastructure Security, Basic Requirements in Tiered Protection and Implementation Guide for Tiered Protection of Electrical Information System Security. To effectively lower risks associated with the leak of private and sensitive information, CEEGL the parent company has established an Information Technology Management Department to coordinate management over the information security matters of all subsidiaries. The Group strictly complies with and implements the information security system and other arrangements of the parent company.

The Group has assigned dedicated/part-time information management personnel at the levels of the headquarters, business management centres and projects. We have also stipulated detailed regulations in connection with the management of internal computers and network equipment, data and information security management and the use of various systems. During the Reporting Year, a comprehensive inspection of the information security hazards in websites, systems and document files was performed.

¹⁴ For identification purpose only.



Security of information-based systems: The CEEGL tender and procurement e-trading platform system, automated office system and online production monitoring system adopted by the Group has passed the 2023 Shenzhen Cyber Security Tiered Protection Test and Rating.

Cyber security training

CEEGL conducted two cyber security attack and defense live drills in June and August 2023, requiring staff to:

- keep safe their personal identification numbers (PINs) for various systems and change such PINs into random and complex combinations on a regular basis as required, and refrain from saving sensitive information of the Company on the Internet
- in personal office work put on stringent guard against phishing mails, SMS and Wechat information as well as fraudulent website links, and be cautious in providing sensitive personal and corporate information (such as account number, PIN, correspondence and others)
- officially licensed anti-virus software must be installed in personal computers
- exercise strict control and verification of external parties' access to our internal computers using remote devices
- put on guard against social engineering attacks (impersonation of management, colleagues and partners, among others) and refrain from sending personal information to strangers
- liaise with the Company's cyber security staff in a timely manner if they discover that they are under cyber attack



The Group organised two sessions of cyber security management training in August and November 2023 covering the following aspects:

- Cyber security literacy: explanation of the Cyber Security Law and Information Security Law and introduction to cyber security vetting
- Cyber security attack and defense technique and live drill: loophole scanning technology, system loophole attacks and defense against such attacks, brute-force decryption and defense against such attacks, man-in-the-middle attack and demonstration, as well as SQL injection loophole, XSS and CSRS injection, file upload and development loophole in web penetration, among others

Training materials for cyber security, including the Staff Handbook for Cyber and Information Security, Introduction to Cyber Security Attack and Defense Drill — Security Awareness Training, Everbright Group Security Awareness Training for All Staff and information on defense against common cyber traps and phishing mails have been uploaded to the automated office system and training videos are available for viewing at any time at the livestreaming section of the automated office system.





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

Protection of privacy

As environmental enterprises are required to deal with a massive volume of customer information and environmental data in daily operation, they are bound to be facing cyber security and data protection issues of an enormous scale. The Group has formulated the Confidentiality Regulations to specify administrative measures for the protection of data security and privacy.



In addition to the protection of customer information, the Group is equally concerned with employee privacy. To better protect the personal information of employees and safeguard sound relations with employees while reducing the risk of violation on the part of the Company, the Group has launched the Personal Information Collection Statement and Consent Letter for the Handling of Employees Personal Information at the Hong Kong and Mainland headquarters in accordance with the Civil Code of the People's Republic of China, Personal Information Protection Law of the People's Republic of China, Personal Data (Privacy) Ordinance and other pertinent laws and regulations to specify the purpose of collecting information and the period for which such information will be kept. The Group is committed to protecting the personal information and privacy of relevant third parties, and promises not to use the personally identifiable information of customers, employees and other third parties for other purposes.

In strict implementation of CEEGL's Privacy Policy, the Group has set out clearly the scope of privacy for relevant third parties subject to compliance with legal provisions, and has stringently stipulated a series of procedures and standards for the handling of relevant information by employees and suppliers, requiring employees to collect, possess, handle, disclose and use personal information of third parties in accordance with the law. Moreover, the Privacy Policy also contains terms relating to the prevention of copyright infringement, underpinning our commitment to the protection of intellectual property rights in a bid to ensure respect for knowledge and talents by all parties.



In 2023, **No** major information security incidents occurred, and **No** complaints were received about privacy leakage of customers and employees.

Supply Chain Management

The Group has implemented a stringent supplier selection and management system and has been engaged in close cooperation and liaison with suppliers to reduce procurement risks and drive responsible procurement. Meanwhile, the tender and procurement e-trading platform of CEEGL has been fully utilised in the development of a new online tender model to enhance tender supervision and management and prevent any violations to the best of our ability.

ESG Policy

The Group undertakes to perform with its best endeavour due diligence on relevant materials in the supply chain with the formulation and implementation of a specific due diligence policy and management system, in order to identify related risks and adopt appropriate measures to alleviate the same. Child labour, forced labour and human trafficking, serious health and safety risks and adverse environmental impact from the suppliers will not be tolerated. Under no circumstances should suppliers be engaged in corruption, blackmailing, misappropriation of funds or bribery to gain advantage in an unfair or wrongful manner.

Measures for Suppliers' Management

Setting out detailed regulations on the responsibilities and allocation of job duties for the procurement management departments at various levels, the process of new supplier development, the dynamic supplier assessment regime, annual supplier assessment, management of suppliers' contract fulfilment, handling of disqualified suppliers and punishment for other violations, among others.

Suppliers are classified into 4 grades, namely, A, B, C and D, according to their annual assessment ratings. Grade D or disqualified suppliers will be subject to restrictions in tender participation or even moved onto the suppliers' blacklist, and may only request removal from the list of "Disqualified Suppliers" if they are vigorously dealing with issues identified and proactively undertaking due responsibilities and have completed rectifications in quality and safety matters.

ESHS Management Standards for Contractors

- Aiming to identify and control environmental, social and safety-related risks arising from the course of outsourcing by examining the contractors' backgrounds, credentials, construction operations and performance in environmental protection.
- Contractors are required to complete the "Contractor ESHS Questionnaire" to provide relevant ESHS information that would facilitate the Group's compilation of a list of compliant contractors and ensure compliance of suppliers and contractors with laws and regulations governing environmental and social responsibilities, as well as applicable regulations of national and local governments.
- Information required includes whether contractors are qualified with international environmental management standard accreditation such as ISO 14001, undertake ESHS training and appraisal and provide appropriate protective gear to employees, among others.

Supplier screening and selection

The Group identify and select new suppliers in a standardised manner in accordance with the provisions and guidelines under the Measures for Suppliers' Management. Suppliers who have expressed the intention to be partners will be investigated and assessed by procurement management departments at various levels to determine the possibility of their inclusion in the suppliers' list. After initial investigation, prospective suppliers should arrange on-site or off-site inspection for assessment of the quality standards, delivery capacity, price level, technical competence, service quality, current users and environmental and social performance of such suppliers. Following a process of stringent selection, suppliers will be included in the list.

In ongoing improvement of its procurement tender system, the Group has successively formulated and published the Procurement Management System, Procurement Tender Management Measures and Measures for the management of Non-tender-based Procurement to facilitate standardisation and compliance of the procurement tender process as well as stringent regulation and management of all procurement activities, in order to promote responsible procurement. The selection of suppliers will be finalized after public bidding, price inquiry or directional negotiation according to the system.

Supplier supervision and evaluation

In connection with suppliers with which partnerships have been established, the Group will closely track and inspect their performance after the award of tenders and conduct dynamic assessment and annual assessment of such suppliers. The timing and rating regime for dynamic assessments are determined in accordance with the Measures for Suppliers' Management, while annual assessments are conducted during the period from the end of the current year to early next year, during which a general rating will be awarded on the basis of dynamic assessments. During the Reporting Year, the Group rated 10 suppliers with a score lower than 65 as Grade D suppliers and put them on the list of disqualified suppliers for 1 year. These suppliers may only apply for admission again after the expiry of the penalty period and the implementation of relevant rectification measures.



During the Reporting Year, the Group moved certain suppliers out of the supplier database or onto the blacklist based on the outcomes of dynamic assessment and annual assessment in adherence to the principle of fairness and impartiality. Statistics indicate that, at the headquarters and project levels, a total of 191 suppliers have been dealt with as a result of their violations, such as bid rigging, bidding in the name of other parties, commercial bribery, use of improper channels for the purchase of spare parts resulting in safety and environmental hazards, non-compliance quality of consumables, among others.

Engagement with suppliers:









- 100% of our potential suppliers have signed the CEEGL Sunshine Statement when they enter our tenders. The Statement stipulates prohibition against acts such as tunnelling interests, improper competition and bribery, among others, and provides the email address and telephone number for reporting misconduct.
- All integrate biomass utilisation projects have issued the Advocacy to Customers, and the email address and telephone number for reporting and complaints have been published in the Advocacy as well as posted at conspicuous spots in the plant sites to encourage fuel customers to report any misconduct of fuel procurement personnel in promotion of “sunshine procurement”.

Enhancing climate resilience

The Group is aware that climate change could have a considerable impact on the stable operation of our projects and has adopted measures in active response. In particular, we have identified floods and extreme high temperatures as natural disasters that will have a material impact on our business in the future. Accordingly, we have actively prepared ourselves to address aspects that could pose more significant challenges, such as biomass fuel supply and pressure on water resources, in order to safeguard the stable operation of our projects.









Safeguarding stable operation of projects

Measures adopted

-  Enhancing climate-related risk awareness at the projects
-  Stepping up with warning and publication of weather information
-  Revising and improving the natural disaster/extreme weather emergency plans of projects, stepping up with emergency drills and stock-up of emergency supplies
-  Installation of rainwater harvesting wells, water discharge equipment and large-power diesel generators at some projects
-  Making transportation plans and arrangements in advance during summer and winter
-  Anti-freezing insulation for pipes in winter and addition of circulatory water pumps and axial fan to lower temperature for equipment in summer
-  Laminating treatment at sideway slopes in and around the plant sites to prevent collapse caused by loss of water and soil
-  Unblocking water drainage inside and outside the plant sites to prevent excessive rainfall from obstructing the traffic

Stable supply of biomass fuel

Measures adopted

-  Adhering to the strategy of combining the localisation of fuel supply with regional allocation — further reducing fuel acquisition cost and stabilising fuel supply through the localization of fuel supply in regions where conditions are favourable ; implementing coordinated allocation and transportation and shared stock of fuel among projects within adjacent regions on the basis of inventory and demand conditions when fuel supply is insufficient, to stabilise the overall operational performance of the biomass projects
-  Maintaining sufficient stock of fuel and making timely adjustments to our fuel acquisition policy
-  Optimising the mix of fuel types and fuel blending and increasing the purchase of fuel types that are less susceptible to the impact of weather
-  Use of crushers at certain projects to facilitate flexible arrangement of fuel consumption during times of extreme weather
-  Storage of wood fuel wherever practicable to address weather change
-  Formulation of “annual biomass fuel collection and storage contingency plans” at projects to conduct annual planning in connection with the impact of extreme weather on fuel collection and storage
-  Extending target regions for purchase to increase the variety of fuel purchased
-  Enhancing scientific and standardised management of biomass fuel storage, organising random inspection and stocktaking and promptly rectifying any issues identified



Diversification of fuel types











Addressing water stress

According to an analysis conducted by the Group during the Reporting Year on the water stress faced by its subsidiaries using the Aqueduct tool developed by World Resources Institute, more than 50% of its project companies are currently located in regions subject to high or extremely high water stress. We conducted a forecast on the prospective water stress using the Aqueduct tool with a time range covering 2030, 2050 and 2080 to analyse water stress in the pessimistic and business as usual scenarios. The details are shown in the table below.

Forecast of water stress¹⁵

Level of water stress in the relevant region	2030		2050		2080	
	Pessimistic	Business as usual	Pessimistic	Business as usual	Pessimistic	Business as usual
Extremely high (> 80%)	25	19	26	19	19	21
High (40–80%)	11	14	13	14	17	12
Medium to high (20–40%)	18	21	9	14	11	15
Low to medium (10–20%)	14	13	20	21	21	17
Low (< 10%)	6	7	6	6	6	9

The Group appreciates the corporate responsibility for taking vigorous actions to address the water stress and has accordingly adopted the following measures:

-  Consistent measurement and reporting of the Group's water consumption
-  Active identification, avoidance and elimination of water leakage in operation
-  Commitment to the conservation of water, especially fresh water, during the full life cycle of projects
-  Development of multiple water sources, such as waste water from industry parks, to reduce consumption of fresh water
-  Vigorous advancement of waste water recycling to increase the utilisation rate for water resource
-  Implementation of zero discharge of polluted water at projects where appropriate to reduce pollution of fresh water by project operations
-  Commitment to energy conservation during the full life cycle of projects
-  The majority of projects are consuming internally-generated renewable energy while distributed solar power facilities have been installed at other projects to promote the use of renewable energy and reduce the water footprint of energy

In future, the Group will continue to commit effort to water conservation technologies and optimise the actual work process to alleviate the problem of pressured water resources and its impact.





¹⁵ Figures in the table represent the number of project companies located in regions under various levels of water stress in different time range and scenarios.

Technological Development



The Group has established the Technology Research Department to be in charge of technology R&D and management, complemented by a range of systems to regulate relevant management duties, including the Measures for the Management of Technology R&D Projects, Measures for the Management of R&D Equipment, Measures for the Reward of Technological Innovation and Measures for R&D Project Appraisal, among others, in order to safeguard the steady development of technological innovation.

To encourage innovation on the part of its technical personnel, the Group seeks to incentivize teams producing outstanding technological achievements with both honorary awards and rewards in kind. Currently, 4 major awards have been established, including the “Excellence in Technological Achievement Award”, “Intellectual Property Rights Award”, “New Technology Award” and “Five Minors Innovative Award”. In the meantime, we work actively with industry organisations to draft and publish industry standards, conduct research as well as study the current status and future prospects of industry development.










Excellence in Technological Achievement Award	Intellectual Property Rights Award	New Technology Award	Five Minors Innovative Award
Units or teams which have acquired outstanding technological achievements in technology R&D and units or teams whose technological achievements have been recognised by government technology authorities or industry associations.	Units or teams which have acquired intellectual property rights for their technology R&D.	Units or teams which have achieved outstanding results in the introduction of new technologies.	Units or teams which have achieved excellent results in the innovation of project operation and management.
			



Upgrading existing project technologies

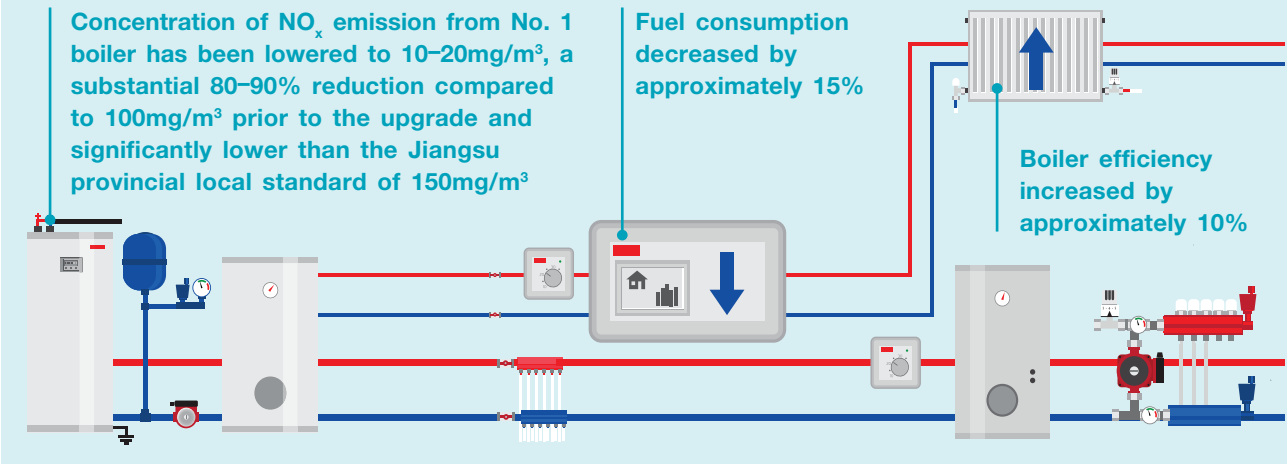
The Group places a strong emphasis on technology R&D and consistently introduces upgrades to its existing project technologies. By undertaking national and local government research subjects, applying for CEEGL research subjects and listing the Group's internal research subjects, technological research is being rolled out in multiple directions.

Energy conservation and reducing emission

-  Ultra-low emission conversion for biomass projects, for details, please refer to “Green Recycling” on page 66 of this Report
-  Biomass ash recycling, for details, please refer to “Green Recycling” on page 73 of this Report
-  Oxygen carrier aided biomass fluidised bed combustion CO reduction technology
-  Research on ultra-low furnace fume emission technology and biomass boiler high-efficiency low-nitrogen combustion technology
-  Research on development and application of safe and clean high-efficiency incineration technology for general combustible industrial solid waste
-  Research on hazardous waste incineration and disposal and coordinated pollutant purification and ultra-low emission mechanism
-  Industrial boiler fume and multi-pollutant low-consumption high-efficiency coordinated treatment technology and equipment development
-  Wet deacidification process optimisation for hazardous waste incineration system
-  Integrated nitrogen oxides and dioxin catalyst removal technology for general industrial solid waste incineration

Outstanding cases in proprietary technological upgrades

The Group has carried out proprietary technological upgrades for the circulatory fluidised bed biomass boiler No. 1 at its Lianshui Biomass Heat and Electricity Cogeneration Project. Following the upgrade, the ammonia in fume emitted from the circulatory fluidised bed biomass boiler is used as the reducing agent in desulphurisation, such that additional consumption of aqueous ammonia is not required, while achieving the following excellent results:



Enhancing the competitiveness of our principal operations

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



Driving technological innovation

Development of new business models:

- Recycling of household waste and hazardous waste incineration ash
- Smart solar storage virtual plant project technology
- Development and construction of zero-carbon industry park and virtual power plant software platform
- Research and application of distributed heat supply technology
- Research on value-added biomass application, such as biomass gasification, biomass-based green methanol, among others
- Lithium-ion power battery recycling
- Recycling of bulk solid waste as construction materials
- Research on salt cave compressed air power storage technology

Reducing GHG:

- Carbon capture: R&D of key technologies for synthesis and application equipment for CO₂ capture from high-stability solid-state amine

Our research project winning the CPCIF Class II Technological Progress Award

In the China Petroleum and Chemical Industry Federation (CPCIF) Science and Technology Award List 2022 announced by CPCIF in early 2023, the project entitled Integration and Application of Technology for Soil and Underground Water Restoration at Typical Polluted Industrial Mine Sites, which Group subsidiary Suntime Environmental Remediation CO., Ltd had participated in, was presented with a Class II Technological Progress Award.

The outcome of this research has provided efficient and reliable restoration technology for soil restoration in connection with the removal of polluted sites at industrial mines in China and advanced the development of specialised, highly-efficient and green soil polluted site restoration technology, as well as the healthy development of the soil ecology restoration industry, in China. The large-scale application and implementation of this technology will enable environmental remediation companies to generate greater economic benefits and offer immense help to solve site pollution for companies that generate serious pollution, effectively solving the ecological threats against local cities posed by polluted sites.



Successful application as municipal workers' innovative workshop

In 2023, EB Greentech Solid Waste Treatment (Huangshi) Limited R&D Centre was named a “Huangshi Municipal Worker (Exemplary Labour and Artisan) Innovative Workshop” for 2022.

Established in March 2020, the R&D Centre is dedicated to the development of eco-friendly process techniques, equipment and analytic tests for the recycling, reduction and detoxification of hazardous waste generated by industry parks. More than 40 sets of large-scale specialised precision instruments have been purchased from the United States, Germany, Switzerland and Japan, etc, providing the Centre with analytic testing capabilities for water quality analysis, halogen analysis, cyanide, calorific value, flash point, fire point, viscosity, organic carbon, salinity and 29 types of heavy metals. The R&D Centre is supported by a team of 24 technology specialists, while close industry-academic-research partnerships have been forged with a number of domestic tertiary colleges including Zhejiang University. Laboratories focused on various aspects, such as hazardous waste incineration, solidification and stabilisation treatment, valuable metal liquid waste recycling, among others, have been established to provide premium sustainable development plans for the industry chain.

To facilitate compliant treatment of waste water with high levels of saline contents and organic substances, the R&D Centre has conducted numerous simulated experiments catered to the characteristics of low calorific value and high salinity by carrying out process technique upgrades for the project company's existing production equipment. The liquid waste was subject to evaporative preprocessing and 2,500 tonnes of liquid waste was condensed into approximately 400 tonnes of mother liquid before incineration, effectively reducing the incineration treatment cost and improving the profit margin. The R&D Centre has also conducted pipeline diversion based on the existing equipment, successfully upgrading the cupric chloride production process and overcoming the problem of limited alkaline copper production associated with the previous process technique, as the volume of alkaline copper produced has been doubled in an effective improvement of production efficiency.





Hypersaline waste water treatment techniques have reached advanced industry standards

Salt crystallisation and blockade of the spray nozzle at the hypersaline water reverse spray quench tower has been a persistent problem for the hazardous waste disposal industry. On the back of relentless effort, the Group's Xinyi Hazardous Waste Incineration Project succeeded in the complete reverse spraying of hypersaline water into the quench tower during the Reporting Year without adding salt resistance agents and completed long cycles of stable operation, becoming the first operator in the industry to achieve the same. In connection with the disposal of hypersaline water in the moisturising tower in the process of hazardous waste incineration, the technology has reached an advanced level by industry standards and has proven to be reliable in operation while requiring relatively low investment and operating costs. The efficient disposal of hypersaline waste water enables the operation of hypersaline water at the moisturising tower at low electrical conductivity, resulting in notable improvements in the flue emission indicators which are far lower than the limits set out under national standards, as indicated in the table below. Meanwhile, the technology also ensures the stable operation of hazardous waste incineration system, effectively avoiding phenomena such as fugitive emissions caused by breakdown in quenching.

Emission indicator

Smog dust



2.6

Actual
control value
(mg/m³)

30

National
standard
(mg/m³)

Hydrogen chloride



0.6

Actual
control value
(mg/m³)

60

National
standard
(mg/m³)

Sulphur dioxide



2.1

Actual
control value
(mg/m³)

100

National
standard
(mg/m³)

Hydrogen fluoride



0.3

Actual
control value
(mg/m³)

4

National
standard
(mg/m³)

Protection of intellectual property rights

The Group has formulated the Measures for Intellectual Property Rights Management to regulate the management of intellectual property rights and encourage innovation on the part of the employees while facilitating protection of intellectual property rights. According to the Measures, the Technology Research Department should be in charge of the management of intellectual property rights, while the Risk Management Department is responsible for all legal affairs pertaining to the protection of intellectual property rights. The Measures have also set out important provisions such as the process of applying for intellectual property rights, title and ownership and penalties, among others. Some of the important provisions and guidelines are set out as follows:

- All units should enhance awareness for the protection of intellectual property rights in the course of technological development and cooperation, actively adopt measures to protect the Company's confidential technological information, develop and improve the employee confidentiality agreement and confidentiality reward and punishment agreement, develop a system governing the browsing of documentation containing technological data and relating to intellectual property rights, filing management provisions and pertinent administrative systems to prevent the unauthorised disclosure of core technologies.

- In technical, economic and trade contracts and documents entered into with third parties, the two parties' respective entitlements to the outcomes of invention, in particular entitlements to patent application, patent rights and patent technologies, should be clearly stipulated.
- All units or project teams should fully utilise the technological database and announcements on intellectual property rights to conduct research on intellectual property rights, analysis of technological levels and appropriate response strategies in connection with the relevant technological sectors prior to making any decisions in project investment, technology R&D, introduction of new technologies, equity or cooperative joint venture, product marketing, patent application and protection of rights involving significant interests, so as to avoid disputes in intellectual property rights and ensure that the protection of intellectual property rights covers the whole process from project listing, process management, legal protection of research outcomes through the commercialisation and industrialisation of the outcomes.

To enhance the core competitiveness of the enterprise, the Group has been consistently driving scientific research and innovation and committed major resources to the development of scientific research. In connection with intellectual property rights, as at 31 December 2023, the Group held 40 invention patents, 170 utility model patents, and 5 software copyrights. In 2023, the Group filed applications for 18 patents, including 8 invention patents and 10 utility model patents. We were granted 6 patents, including 3 invention patents and 3 utility model patents, and published 13 papers on technology-related topics in external journals. We participated in the compilation of 7 industry standards and group standards.

No.	Title of standard	Type	Standards compiled and organised by
1	Technical standards for flue purification engineering at biomass power plants	Industry standards	National Energy Administration
2	Technical specification at the project level for assessment of greenhouse gas emissions reductions – Agriculture and forestry biomass power generation	Group standards	China Industrial Development Association
3	Definition and classification of solid recovered fuels	Group standards	Chinese Industrial Cooperation Association
4	Technical specifications for the production of solid recovered fuels	Group standards	Chinese Industrial Cooperation Association
5	Solid recovered fuels for cement kiln	Group standards	Chinese Industrial Cooperation Association
6	Solid recovered fuels for thermal power generation	Group standards	Chinese Industrial Cooperation Association
7	Technical Standards for the Preparation of Solid Recycled Fuel From Decayed Waste	Group Standards	China Environment Protection Industry Association



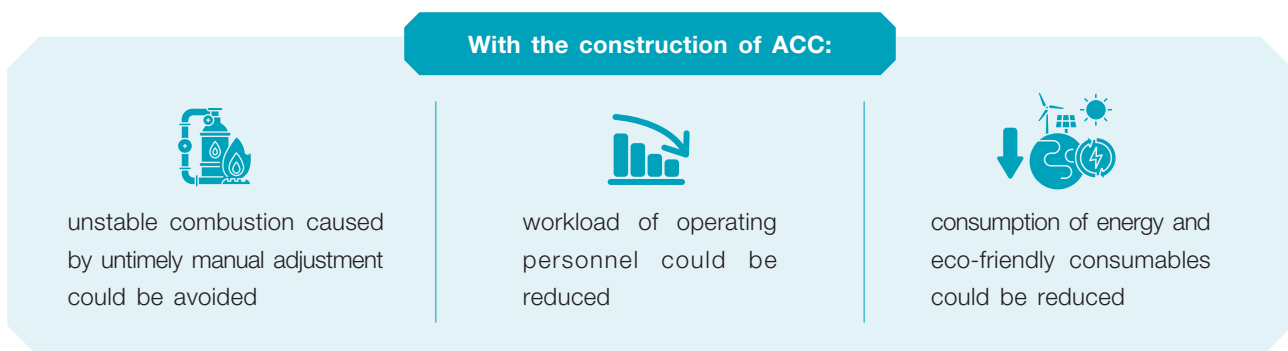
Information-based transformation

Enhancing our safe management capability:

Smart safety defense system: a customised video smart control solution built around the AI algorithm engine, algorithm management platform and algorithm development training platform and based on the actual scenario of project plant sites. The system sends out instant safety warning by designating regions of interest, constructing identification models, identifying unsafe actions and environments, which helps to eliminate hazards and prevent the occurrence of safety incidents. Currently the system is operating on a trial basis at the Group's two projects in Huangshi and Dingyuan. Preliminary system building and training for certain models have been completed, such as the identification of unsafe actions (wearing of safety helmet, fall) and unsafe environments (identification of smoke and fire), among others. For more information please refer to "Safe Production" on pages 59 to 61 of this Report.

Enhancing operating efficiency, energy conservation and reduction in consumption of projects:

Smart combustion control optimisation system (ACC): boiler combustion is controlled by ACC software logic with automatic control of boiler grate rotation and wind volume, enabling more precise combustion and more stable combustion curve. Currently, it is under trial run at the Group's project in Huai'an and finetune testing of 1 boiler has completed. Next the Group is planning to advance the R&D and application of the smart combustion system at its biomass projects.



Enhancing the standard of data management:

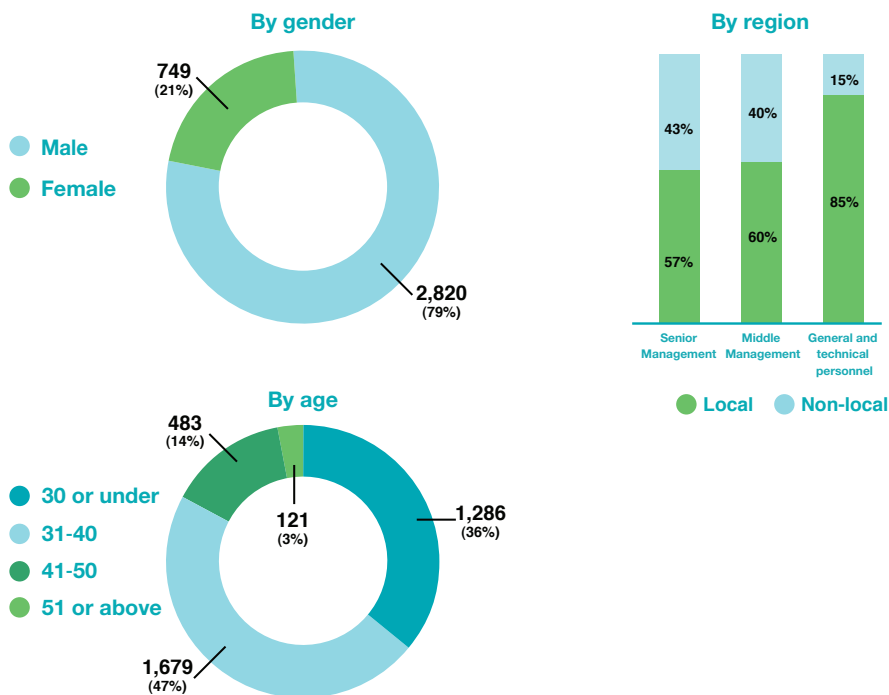
Integrated development of data management system: Under the direction of CEEGL the parent company, the existing information-based management systems (including production management, procurement, supplies management, human resources and financial management systems) have been connected and integrated to further enhance the standard of data management. During the Reporting Year, the unification of supplies coding for all of the Group's projects was completed, as was the inter-connection of the tender procurement management platform and the clean energy production management system. The supplies management module of the clean energy production management system was introduced to facilitate transmission of procurement plans from the production management system to the tender and procurement management platform, as well as the feedback of procurement results from the tender and procurement management platform to the production management system, such that supplies could be managed and procurement plans arranged in a more scientific manner. Next we plan to connect the production management system with the financial management system to finally realise an integrated data management system.

Employee Development



In persistent adherence to the “People-oriented” principle, the Group is committed to building a high performance team, nurturing in them dedication and professionalism by providing more specialised training and striving to create an atmosphere of recognizing, treasuring, respecting and utilising talent. The Group stands against discrimination of any form or type as it strives to foster a fair, friendly, diversified and harmonious workplace.

As at 31 December 2023, the Group had 3,569 employees. A breakdown of the total employees headcount by gender, age group and male/female ratio at different ranks is illustrated in the diagram below.





CARING OF EMPLOYEE WELL-BEING


In compliance with local labour laws and regulations, the Group has set out a range of policies relating to recruitment, promotion, termination, working hours, days off and holidays and remuneration and other benefits in the Staff Handbook and Human Resources Management Policy to reinforce management of employees interests while emphasising anti-discrimination.

The Group has been making diligent efforts to develop a competitive remuneration regime which comprises two elements: fixed remuneration and performance-based bonus. The Remuneration Package Management System has set out detailed provisions for the Group's remuneration regime. The Company offers salaries at the median level for similar positions with reference to market practices and also takes into consideration qualifications, experience and performance when determining starting salaries. To facilitate effective link-up with the human resources market, the Company also seek the opinions of independent professional consultants on a regular basis or request an independent human resources consultant to prepare a market salary level research report to review, analyse and adjust its existing remuneration structure according to changes in the market salary level. This criterion applies to all employees alike, including the directors and the independent non-executive directors.

<p>Fixed remuneration is the amount specified in the labour contract and is determined according to the rank and salary range of the employee.</p>	<p>The Group provides employees with different types of rewards, such as performance-based bonus and year-end gratuity, among others.</p> <p>Performance-based bonus: this includes reward for outstanding contributions for completion of annual tasks and technology R&D, among others; and</p> <p>Year-end gratuity: determined as a fixed or variable percentage of an employee's salary and also linked to the performance of the Company, department and the individual.</p>
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Employee welfare

To enhance the sense of belonging and fulfilment among employees and to assure comprehensive development of our employees in work and life, the Group places a special emphasis on improving employees benefits. Our employees are entitled to benefits such as life insurance, critical illness insurance, medical and health insurance, disability and illness protection, maternity leave and paternity leave, among others, as well as benefits such as hot weather allowance, cold weather allowance, among others.

<h2>Medical protection</h2> 	<p>Medical expenses in China have been increasing in tandem with rising living standards in the country. To improve its employees medical protection regime and alleviate the burden of medical expenses for employees, the Group has established a healthcare protection entrusted management scheme and long-term supplemental medical insurance protection scheme, covering not only its employees, but also their spouses, children, parents and parents in-law. Moreover, the long-term supplemental medical insurance provides domestic employees with supplementary medical insurance funds for mild illness, supplementary medical insurance funds for critical illness and supplementary medical insurance funds for hospitalisation expenses.</p> <p>The Group also established a supplementary medical protection scheme for its employees in Hong Kong to provide additional subsidies in eye care and other aspects of personal healthcare aspects for employees, with a view to alleviating the financial pressure of employees caused by rising medical costs.</p>
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Retirement protection



With persistent emphasis on retirement protection for employees, the Group computes each year the number of employees eligible for retirement and provides for them retirement schemes and arrangements in compliance with pertinent laws. Moreover, the Group also provides employees with additional retirement protection, such as corporate annuity and voluntary contributions at a percentage higher than the statutorily required level, in order to provide support for the retirement life of its employees in Mainland China and Hong Kong.

In addition, to alleviate the burden of post-retirement medical expenses, the Group offers a life-term medical insurance plan to employees, such that they could enjoy long-term medical insurance cover after their retirement to support their post-retirement medical expenses.



“Good MPF Employer Award” for six consecutive years

Statistics on Parental Leave

Total number of employees applying for parental leaves during the year



Male
66



Female
42

Total number of employees returning to work after parental leave and return to work rate during the year



Male
63
(95%)



Female
41
(98%)

Employee care

With a strong emphasis on the emotional as well as physical health of employees, the Group is committed to providing a safe workplace and comprehensive protection for the work and life of employees, as well as enriching their spiritual life. To facilitate the in-depth implementation of the “People-oriented” philosophy, the Group has formulated the Measures for the Management of Safe Production, Employees’ Health and Accidental Injury Protection Fund to further improve the Company’s protection regime in safe production, employees’ health and accidental injury. For the details of occupational safety and health of staff, please refer to “Safe Production” on pages 49 to 61 of this Report.



The Group has incorporated green elements in the office to foster a better workplace by improving the environmental quality and reduce air pollutants, while safeguarding employees' health by supplying beverages and snacks so that they can refresh themselves at any time during work.



Care for psychological health of employees



Everbright Masters' Forum "Pressure Management and Sunshine Mentality" livestream lectures, taught by psychological health education experts of Renmin University of China (available to all employees)



Psychological health literacy training



Team building

The Group advocates work-life balance and encourages employees to actively participate in various health-friendly activities, such as athletic meet, hill-climbing, reading club, speech contest, friendly basketball games and birthday celebrations, to name but a few, with a view to safeguarding and boosting the psychological health of employees. Such activities have not only benefited the emotional well-being of employees and allowed them to relax and be relieved of pressure from work as appropriate, but have also facilitated amicable relations among colleagues and enhanced employees participation for the mutual benefit of the enterprise and employees.



Everbright Greentech sports day in 2023



Carpet tufting workshop



Award

“Happy Company 5+” logos awarded by Chinese Manufacturers’ Association of Hong Kong and Promoting Happiness Index Foundation for six consecutive years



Human rights and inclusivity

Our parent company CEEGL has formulated a Human Rights Policy in support of all convention and standards pertaining to human rights, including pertinent provisions under the UN Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, UN Global Compact and International Labour Organization. As a core segment of CEEGL, the Group conducts itself in accordance with the said policy. Meanwhile, the Group adopts a zero-tolerance stance against the practice of child labour, forced labour and human trafficking and employs worker in strict accordance with laws and regulations such as Labor Law of the People's Republic of China, Labor Contract Law of the People's Republic of China, Law of the People's Republic of China on the Protection of Minors and Provisions on the Prohibition of Using Child Labor, among others to eliminate any illegal acts. We have enhanced information vetting during staff recruitment and appointment, requiring personnel to be appointed to provide information for job application and undertake that all personal information provided is true and valid. Subsequently, relevant departments will rigorously examine and verify the identity documents and personal information of the personnel to be appointed and proceed with the appointment only after confirming that such information is free from error. Once identified and verified, any illegal conduct will be dealt with in accordance with pertinent laws and regulations absolutely without leniency.

The Suppliers' Code of Conduct formulated and published by the Group has set out the primary standards for suppliers' conduct as well as minimum standards that suppliers should comply with when engaged in business cooperation with Everbright Greentech, including a pledge to defend the human rights of workers and the respect for labours in accordance with international human rights standards, among others. Suppliers should also observe the Group's requirements in connection with free choice of occupation, prohibition of child labour, work hours, salary and benefits, compassionate treatment and non-discrimination, among others.

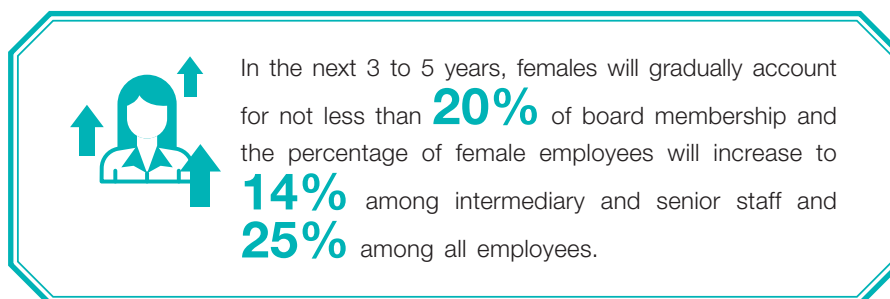


During the Reporting Year, the Group was **not** subject to any incidents or claims alleging violation of human rights and in connection with labour measure standards and laws and regulations, **nor involved** in any employment of child labour or forced/compulsory labour.

Everbright Greentech is committed to fostering an inclusive and mutually respectful workplace for all employees, irrespective of age, gender, family status, disability, race, ethnicity, nationality, religion or political views. Under no circumstances will the Company tolerate discrimination, harassment, bullying or other illicit behaviour in any physical or verbal manner against any person by employees because of the aforesaid factors. The Group is determined to maintain gender diversity and male/female equality and is insisted that a female employee and a male employee doing the same job should have the same pay, eliminating the gender gap in remuneration and providing equal opportunities for employees of different genders and races, while actively researching and promoting a diversity policy that comprises gender diversity, including but not limited to the provision of tailor-made training and clear career path planning for female employees to enhance their specialisation and help them realise their inherent potential as women, as well as the building of a complementary support system to help female employees cope with challenges at work associated with maternity. The Group opts for protection through systems and mechanisms and affords equal opportunity to all in relation to job positions. The Company also believes that the diversity in talents is an essential condition to corporate development, as it endeavours to recruit talents with diverse backgrounds and foster a harmonious and inclusive workplace for employees of different genders, races, cultures or professional backgrounds.

The Group has set a monthly limit for overtime work by employees. Overtime wages and holiday adjustments are arranged in respect of overtime work within the stipulated limit to safeguard the psychological as well as physical health of employees.

In response to the principles underlying the important speech of President Xi Jinping: “We must resolutely follow the pathway for women’s development under socialism with Chinese characteristics, encouraging all women to show self-esteem, self-confidence, self-support and self-empowerment, embarking on new journeys and striving for achievements in the new era to make contributions to China’s modernisation with the wisdom and strength of women,” the Group has set out the following goals:



Women have to assume professional as well as family responsibilities, hence consideration will be given to a variety of factors when they choose a job position. The Group is engaged in the business of environmental protection and its major job types involve production operations and engineering construction which are more demanding in terms of physical stamina and strength and which require working in shift duties. As the package has yet to attract more women to join, there is a need to increase the number of female employees as a percentage of the total employees’ headcount, which underlines the present challenge for the Group. The Group will continue to study different measures which could attract more women to join as employees, including but not limit to providing appropriate training for female employees, improving various professional skills, tapping their own potentials, establishing corresponding supporting systems to enable female employees to take care of their families and secure employment and help female employees tackling challenges such as childbirth in the workplace.

The Group has continued to improve the working environment for female employees in accordance with the Special Regulations of the Labour Protection Laws for Female Workers, ensuring that female workers are entitled to breastfeeding leaves, maternity leaves, pregnancy health check leaves, Women’s Day holiday leave and nursing leaves, etc. The Group has set up breastfeeding rooms at its headquarters and the project companies for the convenience of breastfeeding female employees and fully supports the taking of breastfeeding leaves by female employees in Mainland China to take care of children under one year old.



Celebrating International Women's Day

Feedback and communication

The Group respects its employees and maintains close engagement with them. To extend and improve the channel for two-way communication and enhance employees' motivation, the Group organises regular interview sessions with employees apart from day-to-day work meetings. Activities are conducted to analyse the causes of any issues and difficulties encountered at work are discussed. We help employees to determine the direction of their effort and build through the process a positive ambience of mutual trust, ultimately achieving the aim of enhancing communication, unity and drive for work. In addition, employees are also welcome to express their views via the intra-Group "Suggestions" e-platform, where other employees can browse and leave comments any time. With the aid of an open and transparent platform, the Group can take the suggestions of employees into full consideration when reviewing its policies and systems, thereby striking a better balance between the interests of the Company and its employees. The Group will under no circumstances tolerate discrimination, harassment, slandering or hostility against employees. Employees who are being subjected to unfair or unreasonable treatment which cannot be solved through the means of communication listed above are encouraged to report the matter for handling in accordance with the whistleblowing means and procedures set out on pages 24 to 25 in this Report, so that their complaints could be promptly addressed in a fair and equitable manner.



During the Reporting Year, **No** complaints of discrimination or harassment against employees were received.

During the Reporting Year, the Hong Kong headquarters of Everbright Greentech organised again an anonymous employee opinion poll together with CEEGL, covering a variety of aspects such as the Company's systems and management, satisfaction with the MPF company and medical insurance company, workplace hygiene, employee benefits, team-building activities and training. Moreover, the Group completed inspection of administration and human resources at 43 project companies during the year, which included the due completion of a poll by way of questionnaire, extensive discussions and ample communication with the management, intermediary officers and employee representatives of the project companies to understand how the project companies had been operating and what the employees were thinking, seeking thorough understanding of the implementation status of relevant systems so as to adopt follow-up measures and make improvements on the basis of what the employees expect and really need, thereby enhancing employees' loyalty.

In February 2023, the parent company CEEGL held a forum for junior employees at the Hong Kong headquarters to listen to employees' suggestions and engage in communication with them. The forum was hosted by Huang Haiqing, Board Chairman of CEEGL and Everbright Greentech. At the forum, representatives of employees of the Hong Kong headquarters, including Everbright Greentech, actively furnished their views in the context of their departmental tasks, job positions and personal growth in connection with the Company's transformation and development, cost reduction and efficiency enhancement and corporate culture, among others. Mr. Huang encouraged employees in Hong Kong to have firm confidence in development and enhance patriotism, working in united effort to reinforce the position of the Hong Kong headquarters as CEEGL's bridgehead for the overseas market and enhance green development in Hong Kong SAR. He also encouraged employees to uphold the vocational aptitude underpinned by professionalism, efficiency, diligence and dedication as well as the culture of pragmatism. Finally, he called for stronger communication and coordination with the Company's departments and business segments in the Mainland and more familiarity with the market and primary businesses in the Mainland, such that difficulties and challenges could be overcome with concerted effort.



Employees' forum at Hong Kong headquarters



DEVELOPING EMPLOYEES' POTENTIAL

Human resource management

To enhance its efficiency in human resources management and meet the demand for talents in the Company's sustainable development, the Group has formulated the Measures for Labour Contract Management, Measures for the Management of Employees Recruitment and Appointment and Human Resources Management Policy in strictly adherence to the Labour Law of the People's Republic of China, Law of the People's Republic of China on Employment Promotion, labour legislation of Hong Kong and other pertinent laws and regulations to make merit-based employees appointment through external recruitment, internal selection and competitive public recruitment. We undertake to provide fair career development opportunities and commensurate benefits for employees, and that no employees will be discriminated by reason of age, gender, marital status, family conditions, disability, religion or ethnicity. With the belief that employees represent the most valuable assets of the Group, we place a strong emphasis on providing employees with opportunities to grow and develop as endeavours to foster a workplace at which all employees could bring their own strengths into full play. The Group will continue to optimise the mechanism for talent selection and appointment, strengthen internal referrals and training, enhance efforts to retain core backbone personnel and broaden the channels for selecting and appointing employees in the development of a sound and diversified human resources management regime.

To further enhance supervision and management of Everbright Greentech officers, Regulations of China Everbright Greentech Company Limited for the Administration of Officers' Resignation and Turnover of Duties were formulated during the year in an ongoing effort to enhance the development of a sound and diversified human resources management regime.





Grooming talents

To stock up high-calibre talents and maintain stability in its staff team, the Group has been actively building a talents' pool and formulated the Everbright Greentech Measures for the Management of Back-up Officers to set out provisions and requirements for the qualifications of and training programmes for personnel. To further enhance our professional setup for the grooming of talents, we have also formulated the Administrative Measures for the Management an Stock-up of Financial Personnel. In connection with the selection and appointment of personnel, we place a special emphasis on personnel in the talents' pool and the selection of high-calibre people based on merit.



During the Reporting Year, we conducted **3** rounds of open selection and **18** rounds of democratic recommendation, during which **20** officers were appointed through promotion.

The channels for talent recruitment have been streamlined and improvements have been made to our mechanism for talent grooming and development, ensuring solid overall staff retention and effective build-up of organisational competence whilst developing a versatile, diversified and multi-dimensional career development path and a broad career development platform for employees. To foster fairness, equity and openness in the selection and appointment of employees and to promote positive contest, the Group created an internal talent market during the Reporting Year in addition to the use of multiple recruitment channels such as recruitment websites, mutual selection recruitment fairs and campus recruitment, conducting 5 internal recruitment exercises for job openings and recruited approximately 500 people in effective optimisation of the Company's talent mix. Meanwhile, the Group has also actively improved the mechanism for officers' demotion as well as promotion, completing the position exchange of 9 project company principals during the Reporting Year.

Total number of new employees in 2023: 434					
By gender			By age		
	Male 355 (9.95%)		30 or under 287 (8.04%)		31-40 123 (3.45%)
	Female 79 (2.21%)		41-50 23 (0.64%)		51 or above 1 (0.03%)
Total number of employee turnover in 2023: 419					
By gender			By age		
	Male 330 (9.25%)		30 or under 188 (5.27%)		31-40 176 (4.93%)
	Female 89 (2.49%)		41-50 41 (1.15%)		51 or above 14 (0.39%)

Staff training

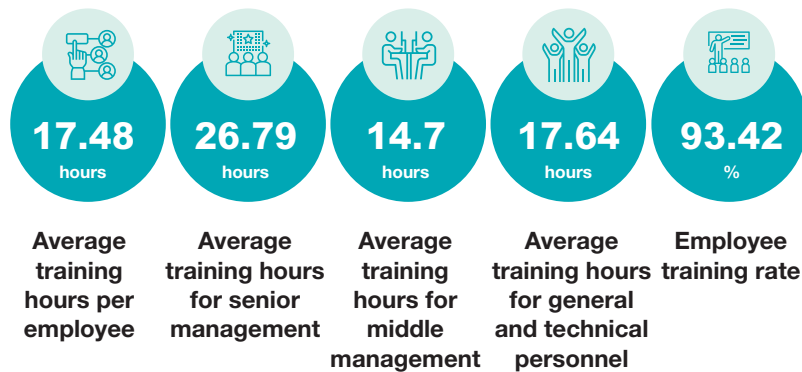
The Group is also well aware that training is an importance means to improve the work competence of employees. In this connection, we have formulated policies such as Training Allowance, Management Measures for Assessments and Appointments in relation to Specialised Technical Positions, Measures for the Administration of Professional Qualifications and Specialised Technical Titles, and have provided an examination leave to encourage employees to engage in continuous learning, obtain professional qualifications or professional memberships or attend external training courses relevant to their work to add value for themselves. The implementation of such policies has provided a notable driving force in terms of motivating employees to learn and creating a learning-based enterprise.



Safety and environment: The Group had 53 registered safety engineers, 1 registered environmental protection engineers and 2 registered fire prevention engineers as at 31 December 2023, The acquisition of such certifications has not only enhanced the skills of employees and increased their income, but has also significantly upgraded the Group's safety and environmental management standards. Encouraged and safeguarded by such systems and institutions, more employees are expected to engage in self-improvement initiatives in the future, and the Group will continue to provide support for those who seek learning and further studies.

In connection with ESG: to enhance training in carbon neutrality and ESG for the Company's employees, including the Directors. In addition to the provision latest relevant information and reports to the Directors and employees from time to time, industry experts/consultants will be engaged each year to present the ESG report and analysis on industry trends to the Directors. During the Reporting Year, the Company has sponsored members of the Sustainability Groups to pass the FSA credential certification, enroll in Certificate in ESG Investing Course, as well as participate in the training course for registered risk managers organised by Guangdong Provincial Corporate Risk Management Research Institute, GRI certification and European Federation of Financial Analysts Societies (EFFAS) Certified ESG Analyst (CESGA®). Meanwhile, we have also organised employees to participate in the online ESG seminar hosted by HKEx and Ernst & Young Hua Ming LLP to gain further insight into the future trends and recommendations concerning the disclosure of ESG information.

The Group undertakes to provide employees with training programmes relevant to their job positions backed by sufficient resources and is committed to regulating the employees training process and enhancing the effectiveness of employees training, so as to ensure that the teams will possess the expertise and experience presently required. During the Reporting Year, the Group has provided employees with training in a variety of specialisations, including sustainable development, safety and environmental management, risk management, legal matters, financial analysis, human resources, administrative management, culture of probity, ESG, emergency skills and emergency first aid, to name but a few, to enhance employees' skills and identify their potential.



Our interim target



providing an average of **23** training hours to each employee each year

The Group has established a comprehensive and measurable employees appraisal system to enhance employees aptitude, competitiveness and initiative. Through annual performance appraisals, day-to-day consultations and other arrangements, management officers are able to give objective assessment of employees performance and offer constructive feedback and suggestions for career planning.

In April 2023, the Group held the 2023 Annual Financial Work Conference in Nanjing, during which key finance-related trainings such as cash pooling, expense management and tax management were arranged, with the participation of about 70 financial staff from the Mainland and Hong Kong, to further enhance their financial awareness, financial management capabilities and risk awareness.



Financial work conference

Corporate culture

To ensure that employees conduct themselves in a manner compliant with the Company's values and to enhance their sense of unity and belonging, the Group is engaged in active promotion of its corporate culture to inspire employee devotion to the Company. Everbright Group boasts an extreme rich corporate culture, comprising subsets such as the home culture, sunshine culture, business culture and culture of undertaking. The home culture and sunshine culture, for example, advocate mutual tolerance and appreciation such that the Company would become a cradle for growth for every employee who would be willing to work hard to build Everbright into a heartwarming home. The business culture and culture of undertaking would call for a venturing spirit in quest of first-rate quality and excellence, with a view to procuring sustainable development of the Company through comprehensive quality management.

The Group is actively fulfilling the tenets of Everbright Group's corporate culture in adherence to the core values to be "passionate, quality-driven, distinctive, innovative, principled, reputed, vibrant, accountable", driving transformation in development pattern, business mix optimisation and improvements in quality and efficiency with enhanced innovative strategic support. We will further prioritise the prevention and control of environmental and safety risks while driving qualitative and sustainable business development. The Group has imparted its core business philosophy in the hearts of its employees through the propagation of corporate culture, such that the aspirations and goals of employees are aligned with those of the Group in the creation of an accountable, committed and energetic team.



CO-DEVELOPMENT WITH THE COMMUNITY

The Group not only cares about the career development of its employees, but is also committed to improving the community environment in which the employees live, in order to foster a safe, people-friendly and green environment for living. During the Reporting Year, we organised our employees to participate in community building with active involvement in community care and environmental education, such that the Group's employees could offer genuine contributions to the community, enhance the sense of belonging for the enterprise and build the homeland in joint efforts to foster co-development, progress and prosperity for the enterprise, community and employees in a "triple win".

The Group is committed to maintaining fostering harmony and inclusivity with local communities and indigenous peoples. Measures are adopted throughout the full cycle of project construction to avoid and alleviate any impact on local communities. We respect all rights of the indigenous peoples and maintain sound and ample communication with them. Over the years, we have promoted local economic development and developed trusting and mutually beneficial relationships with local communities through activities involving community participation, employment and grooming of local labour force, supply-chain localisation and the forging of clean and safe habitations for the locals.

Promoting poverty aid and employment to drive rural vitalisation

In accordance with the working requirements set out in China Everbright Group Implementation Opinion on Assisting Counties Designated for Aid to Reinforce Achievements in Eliminating Poverty and Ongoing Advancement of Rural Vitalisation, the Group has been actively fulfilling co-development of the villages and the enterprise in an effort to implement defined assistance programmes and measures through business development, giving priority to the creation of job opportunities for local residents, in order to drive environmental improvements and industrial upgrades in neighbouring areas. In addition to solving pollution issues caused by the incineration of local agricultural straw, our biomass operation has also established an agricultural waste collection, storage and transportation regime to create job opportunities for local farmers and broaden their source of income in active response to the nation's principle of defined poverty aid. With the commissioning of the project and the establishment, improvement and expansion of the biomass collection, storage and transportation regime, we have effectively formulated a strategy underpinned by "extra income for farmers, development for the enterprise and benefit for all", directly or indirectly driving economic growth for the villages and helping local residents to lift themselves from poverty. In 2023, our integrated biomass utilisation projects:



Directly or/indirectly provided over

42,128

job positions



Contributing to approximately

RMB **2,370** million

of additional income



For the benefit of more than

5,300,000

farmers

Driving green development

As a pioneering enterprise in environmental protection, Everbright Greentech considers the promotion of environmental protection an indisputable responsibility. The Group has advanced the prevention and treatment of environmental pollution with intensive effort in an ongoing quest to win the battle to protect the blue sky, green waters and clean earth and strengthen the coordinated control of pollutants to basically eliminate heavily polluted weather conditions. The Group actively fulfils its social responsibility and undertaking as a central enterprise in its effort to drive green development and introduce improvements to environmental pollution, in order to win the critical battle against pollution. In line with its corporate pursuit of “Create Better Investment Value and Undertake More Social Responsibility”, the Group endeavours to benefit the society with green technologies and deliver value to stakeholders through stable development.

On top of vigorous promotion of environmental education and intensive effort in the propagation of environmental protection, the Group has continued to fulfil the responsibility of opening its environmental facilities to the public with more intensive actions. We have explored an online approach based mainly on livestream to enhance the influence and outreach of the public opening of its environmental protection facilities, whilst conducting in-depth promotional activities based on the actual operation of our projects in close tandem with the National Technology Week and June 5th Environment Day event, with a particular focus on Dual Carbon to give a good account of Everbright Greentech’s ecological initiatives and publicise the Company’s performance in environmental pollution treatment and ecological protection, in order to drive public participation in the joint effort to build a beautiful China. During the Reporting Year, the Group continued to participate in the Hong Kong Green Day campaign hosted by the Green Council precluded by the United Nations World Environment Day on 5 June 2023, engaging with citizens from different sectors and age groups through a range of online and offline eco-friendly activities to support environmental protection. The campaign covered corporations, retail businesses, schools and the public in Hong Kong.

To support the Strive and Rise Programme hosted by the Hong Kong SAR Government, Everbright Greentech organised its employees to participate in an environmental education initiative organised by parent company CEEGL in Hong Kong. Based on the Company’s business characteristics, the programme shared knowledge in the environmental industry and advocate environmental protection to close 100 participating students and mentors. The activity has helped teenage students in Hong Kong to broaden their vision and understand how environmental businesses, such as power generation by waste incineration, are operated, thereby arousing their enthusiasm and interest in the business of environmental protection and inspiring them to practice environmental conservation and protection in future so green power could reach out farther and wider.



Environmental education activities



Added **2** municipal or county-level general science education bases, taking the total number of general science education bases to **8**

The Project was given the title of “Nantong General Science Education Base”

In recent years, Rugao Biomass Project has been consistently introducing innovative promotion of scientific literacy in connection with the new ecology. Through a range of volunteer services such as public open days and visits, forums and scientific literacy for the community, members of the public have come to understand and acknowledge the process of collecting straws and other agricultural and forestry waste from the fields, crushing, incinerating for power generation (production process) and returning grass and wood ashes to the fields, thereby affording the Group the positive image of a green enterprise. Through cooperation between the Company and the villages and towns, local waste such as straws are no longer dumped and burned in a disorganised manner. Instead, farmers and agricultural cooperative societies are working along the upstream and downstream of the biomass power generation industry, generating additional income for the people and positive economic, environmental and social benefits to facilitate the development of “beautiful rural villages”.



Awards

“EcoChallenger” certificate and “5 Years +EcoPioneer” jointly awarded by the Federation of Hong Kong Industries and Bank of China (Hong Kong) Limited



“Outstanding Contribution to Environment Award 2022” in the first KPMG “Future • ESG” Awards



Everbright Environmental Protection Hazardous Waste Treatment (Zibo) Company Limited¹⁶ was named among the “Top 10 Open Environmental Facilities of Shandong Province 2023” by Shandong Ecological Environment Department and Shandong Department of Housing and Urban-Rural Construction.



Charity and community welfare

In the spirit of “what we have gained from the community we give back to the community”, the Group is actively involved in community welfare. During the Reporting Year, the Group continued to support the Donate a Pencil Campaign initiative and Run for Girls of Plan International to raise funds for promoting rights for girls and helping girls in developing countries to be free from discrimination, inequality and violence, as well as supporting education for girls as a life-changing initiative for their benefit. In addition to supporting charitable activities organised by non-profit-making institutions, the Group also organised its employees to participate in community welfare activities.

¹⁶ For identification purpose only.



In September 2023, the Group's Sheqi Integrated Project organised employees' participation in the "99 Community Welfare Day — Sheqi Charity Walk for Happy Homes" donation programme. The initiative was mainly concerned with the building of happy homes, generating charitable resources to assist in the building of rural revitalisation exemplary villages (communities), and offering relief to children and aged people in distress. It aimed to establish and improve a specialised mechanism for offering charitable relief to people in distress and affected by disasters, providing financial assistance and aid in kind to distressed people in the county as contribution to rural revitalisation.

Annual Partner presented by Plan International



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



VERIFICATION STATEMENT



VERIFICATION STATEMENT

Scope and Objective

Hong Kong Quality Assurance Agency ("HKQAA") was commissioned by China Everbright Greentech Limited ("Everbright Greentech") to undertake an independent verification for the Sustainability Report 2023 (hereinafter called the "Report"). The Report stated the sustainability performance of Everbright Greentech in the period of 1 January, 2023 to 31 December, 2023.

The Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021, Rule 13.91 and Appendix C2 Environmental, Social and Governance Reporting Guide ("ESG Reporting Guide") of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "SEHK Listing Rules").

Level of Assurance and Methodology

The process applied in this verification was based on the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board. Our evidence gathering process was designed to obtain a reasonable level of assurance as set out in the standard for the purpose of devising the verification conclusion. The extent of this verification process undertaken covered the criteria set out in the GRI Standards and the SEHK Listing Rules (Rule 13.91 and Appendix C2 the ESG Reporting Guide).

HKQAA's verification process included verifying the mechanisms for collecting, calculating and reporting the sustainability performance information, reviewing relevant documented information, interviewing responsible personnel with accountability for preparing the Report and verifying selected representative samples of data and information. Raw data and supporting evidence of the selected samples were also thoroughly examined during the verification process.

Independence

Everbright Greentech is responsible for the collection and preparation of the information presented. HKQAA did not involve in the collection and calculation of data or the compilation of the reporting contents. Our verification activities were entirely independent and there was no relationship between HKQAA and Everbright Greentech that would affect the impartiality of the verification.

Conclusion

Based on the verification results and in accordance with the verification procedures undertaken, HKQAA has obtained reasonable assurance and is in the opinion that:

- The Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021 and the SEHK Listing Rules (Rule 13.91 and Appendix C2 the ESG Reporting Guide);
- The Report illustrates the sustainability performance of Everbright Greentech, covering all material aspects, in a balanced, comparable, clear and timely manner; and
- The data and information disclosed in the Report are accurate, reliable and complete.

Nothing has come to HKQAA's attention that the selected sustainability performance information and data contained in the Report has not been prepared and presented fairly and honestly, in all material aspects, in accordance with the verification criteria. In conclusion, the Report reflects truthfully of Everbright Greentech's sustainability performance that is commensurate with the sustainability context and materiality of the company.

Signed on behalf of Hong Kong Quality Assurance Agency

KT Ting
Chief Operating Officer
7 March 2024



APPENDIX 1: LEGAL COMPLIANCE

Laws and regulations governing the Group, their impact on the Group and relevant control measures are set out in the following table:

Scope	Laws and regulations	Potential impact	Control measures of the Group
Environmental	Environmental Protection Law of the People's Republic of China	More stringent and specific requirements for environmental management and more rigorous punishment against violations.	Ensuring compliance with legal regulations and effective cost control through technical upgrades and management enhancement.
	Law of the People's Republic of China on Environmental Impact Assessment	More stringent requirements and longer approval periods.	Drawing on the experience of existing projects to standardise the related procedures.
	Water Pollution Prevention and Control Law of the People's Republic of China		
	Atmospheric Pollution Prevention and Control Law of the People's Republic of China		
	Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes		
	Criminal Law of the People's Republic of China	As the business of the Group involves the disposal of waste, the Group may be subject to criminal liability for the offence of environmental pollution, in addition to relevant civil liability, if it causes environmental pollution as a result of non-compliant disposals and emissions in the course of its operation.	Enhancing concern for criminal liabilities resulting from environmental pollution and exercising stringent control over all sections of the production process to ensure compliance in emissions.
	Certain Opinions on Promoting Healthy Development of Power Generation Using Non-water Renewable Energy, Supplemental Notice on Matters Pertaining to Certain Opinions on Promoting Healthy Development of Power Generation Using Non-water Renewable Energy, Administrative Measures for the Additional Funds for Renewable Energy Tariffs	Specifying conditions for grant, method of computation and limit of national subsidies for non-water renewable energy, under which the Group's household waste-to-energy and biomass waste-to-energy projects must comply with relevant requirements in order to receive the grant. Inability to receive the grant in full will affect project revenue and reduce project income.	We should apply as soon as practicable for projects fulfilling the required conditions to be included as current projects, while endeavouring to include our new projects in the "new project" category. In view of increasing hurdles for the approval of "new projects", exhaustive measures will be adopted to reduce dependence on national tariff subsidies for income. Through technological innovation, the Group has been actively advancing market-oriented commercial environmental projects.

Scope	Laws and regulations	Potential impact	Control measures of the Group
Social	Labour Law of the People’s Republic of China	Higher labour costs and more exacting management requirements.	Improvement of management standards and strict compliance with the law in operations.
	Labour Contract Law of the People’s Republic of China		
	Social Insurance Law of the People’s Republic of China		
	Regulation on the Management of Housing Provident Fund		
	Patent Law of the People’s Republic of China	More exacting requirements for technological development and protection.	Operation in accordance with the law and emphasis on the protection of intellectual property rights.
	Production Safety Law of the People’s Republic of China	More specific and stringent requirements for production safety, highlighting the importance of preventing accidents involving liability for safety.	Stringent implementation of relevant regulations and proper management of standard processes with increased investment in safety matters.



APPENDIX 2: LIST OF IMPORTANT ESG POLICIES^{Note}

Safety and Environmental Management

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

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

Occupational Health	CEEGL Regulations on Occupational Health
	CEEGL Administrative Regulations for Stakeholders' Safety, Health and Environmental Protection
	Occupational Health Management Standards
	Occupational Health Supervision Management Standard
Procurement and Suppliers' Management	Measures for the Management of Safe Production, Employees' Health and Accidental Injury Protection Fund
	Procurement Management System
	Supplier Management Measures
	Measures for the Management of Accountability for Procurement Breach
	Operating Manual for the Evaluation of Suppliers
Business Ethics	Measures for the Management of Tenders and Non-tender-based Procurement
	Suppliers' Code of Conduct
	CEEGL Provisional Regulations on the Abstention of Relatives of Staff Officers
	CEEGL Supplementary Implementation Scheme of Provisional Regulations on the Abstention of Relatives of Staff Officers
	CEEGL Provisional Measures for the Administration of "Bribers' Blacklist"
	CEEGL Notice on the Further Implementation of Regulations pertaining to Periods Subject to Punishment Against Disciplinary and Regulatory Violations
	CEEGL Handbook for the Prevention and Control of Probity Risks Associated with Crucial Elements in Key Sectors
	CEEGL Anti-corruption, Anti-bribery and Anti-money laundering Policy
	Measures on Accountability for Breach of Regulations
Risk Management	Whistleblowing Policy
	Notice on the Public Announcement of Everbright Greentech's Channels for Pressing Charges
Cyber and Information Security	Code of Corporate Conduct
	Risk Management Policy
	Administrative Regulations on Legal Affairs
	CEEGL Administrative Regulations on Initiatives to Protect Confidentiality
	CEEGL Staff Cyber and Information Security Handbook
	CEEGL IT Management Administration System
	CEEGL IT Security Administrative Measures
	CEEGL Staff Cyber and Information Security Handbook and Protection Against Common Phishing Mails
CEEGL Notice on Further Enhancing Management of Software Licensing Authorisation and Prevention of Infringement Risk	
CEEGL Information Management Policy	



Technology Management and Development	CEEGL Measures for the Reward of Technological R&D
	Measures for the Management of Intellectual Property Rights
	Measures for the Management of Technology R&D Projects
	Measures for the Reward of Technological Innovation
	Measures for the R&D Projects Appraisal
	Measures for the Management of Engagement of External Expertise (Trial)
Employee Development	CEEGL Provisional Regulations for the Administration Training Instructors and Courses
	CEEGL Measures on Records of Officers' Selection and Appointment (Trial)
	Measures for the Administration of Professional Qualifications and Specialised Technical Titles
	Management Measures for Assessments and Appointments in relation to Specialised Technical Positions
	Management Measures for Assessments and Appointments in relation to the Positions of Functional Management Specialists
	Staff Handbook
	Measures for the Management of Training
	Regulations on the Selection and Appointment of Officers
	Measures for the Management of Back-up Officers
Remuneration Package Management System	
	Measures for the Management of Employees Recruitment and Appointment

APPENDIX 3: KPI OVERVIEW

Indicator	Unit	2023	2022	2021
Operating capacity				
Biomass ¹ raw materials processing volume	tonne	8,063,515	8,465,631 ²	7,887,248 ²
Household waste processing volume	tonne	3,262,144	3,468,490	3,367,177
Hazardous and solid waste processing volume	tonne	495,708	452,121	299,433
General industrial solid waste treatment volume	tonne	363,166	Not commissioned	Not commissioned
Grid-connected green electricity ³	MWh	6,498,329	6,291,582	6,285,708
Grid-connected green electricity per tonne of biomass ⁴	kWh/tonne of biomass fuel	659.96	681	661.13
Supply of sold steam	tonne	3,116,400	2,341,990	2,126,943
Supply of sold hot water	GJ	102,714	N/A	N/A
Total length of aboveground transmission lines	km	211	163	175.4
Total length of underground transmission lines	km	49	37	35.29
Number of institutional and commercial clients				
Population of cities served	million persons	274	214	48
Number of industrial/commercial clients	unit	4,503	4,310	2,727
Number of government agencies	unit	186	175	47

¹ Comprising biomass fuel only.

² As per industry practices, adjustments were made to this item for 2023 to adopt the wet-weight basis and data for 2022 and 2021 has been remeasured for the purpose of consistency.

³ Comprising total grid-connected power generation volume of wind power, solar power, biomass (including household waste) and general industrial solid waste combustion.

⁴ Covering biomass power generation and biomass treatment volumes only. Biomass treatment volumes are measured on the basis of wet weight (meanwhile, the description of the note of such data in the Sustainability Report 2022 to be amended from "measured by dry weight" to "measured by wet weight").



ENVIRONMENTAL PERFORMANCE⁵

Indicator	Unit	2023	2022	2021
Emission of air pollutants⁶				
Nitrogen oxides (NO _x)	tonne	4,168	3,735	4,587
Sulfur oxides (SO _x)	tonne	2,307	1,111	1,437
Respirable suspended particulates	tonne	481	330	185
GHG emissions and intensity				
Scope 1 – direct GHG emissions ⁷	tonne CO ₂ equivalent	2,621,012	2,302,732	1,415,497
Scope 2 – energy indirect GHG emissions ⁸	tonne CO ₂ equivalent	66,371	67,289	56,563
Total GHG emissions (Scopes 1 and 2)	tonne CO ₂ equivalent	2,687,383	2,370,022	1,472,060
Scope 3 – Other indirect GHG emissions ⁹	tonne CO ₂ equivalent	249,533	184,623	201,028
Total GHG emissions (Scopes 1, 2 and 3)	tonne CO ₂ equivalent	2,936,916	2,554,645	1,673,088
GHG intensity (based on operating revenue)	tonne CO ₂ equivalent/ HK\$ million	457.98	400.14	263.44
GHG emission reduction ¹⁰	tonne CO ₂ equivalent	3,644,384	3,781,557	3,657,597
Volume of hazardous waste generated and intensity				
Volume of hazardous waste generated	tonne	215,299	166,717	453,655
Hazardous waste intensity (based on operating revenue)	tonne/HK\$ million	33.57	26.11	71.43
Volume of non-hazardous waste generated and intensity				
Volume of non-hazardous waste generated	tonne	3,257,193	2,801,769	2,095,126
Non-hazardous waste intensity (based on operating revenue)	tonne/HK\$ million	507.93	438.85	329.89

⁵ Owing to the increase in volume of the Group's hazardous and solid waste treatment and the commissioning of new general industrial solid waste business during the Reporting Year, certain environmental data, including atmospheric pollutant emission, carbon emission, waste generation, non-hazardous waste generation and water consumption, has recorded increases to a certain extent. The Group will continue to monitor its environmental performance and actively identify opportunities for improvement to minimise the impact of its business operation on the environment.

⁶ The data was derived from computations by the automated online monitoring systems of the combustion systems of the projects and was estimated based on site-specific data. Air pollutants generated from the combustion of fossil fuel with stationary sources other than the combustion systems are measured in accordance with the Technical Guide for Compilation of Primary Emission Source Inventory of Atmospheric Respirable Particulates (Trial) and the Compilation of Air Pollutant Emissions Factors promulgated by the United States Environmental Protection Agency; air pollutants generated from the combustion of fossil fuel with mobile sources are measured in accordance with the Technical Guide for Compilation of Atmospheric Pollutants Emission Inventory for Road Vehicles and Technical Guide for Compilation of Atmospheric Pollutants Emission Inventory for Non-road Vehicles.

⁷ Scope 1 – Direct GHG emissions mainly originated from stationary and mobile fuel consumption, fugitive emission, garbage incineration, waste leachate anaerobic processing system and solid and hazardous waste landfill in the course of the Group's business operation. GHG emissions and set-offs are computed with reference to: CDM's ACM0018: Electricity Generation from Biomass in Power-only Plants (Version 4.0), ACM0006: Electricity and Heat Generation from Biomass (Version 14.0) and ACM0022: Alternative Waste Treatment Processes (Version 2.0) for integrated biomass utilisation projects; Requirement of the Greenhouse Gas Emission Accounting and Reporting – Part 1: Power Generation Enterprise promulgated by NDRC for solar energy and wind power projects; Guidelines for Accounting and Reporting Greenhouse Gas Emissions – Other Industrial Enterprises (Trial) promulgated by NDRC for hazardous and solid waste treatment projects; ACM0022: Alternative waste treatment processes – Version 2.0 and IPCC Guidelines for National Greenhouse Gas for general industrial solid waste projects; Guideline for the Accounting and Reporting of Greenhouse Gas Emission From Public Building Operators (Trial) promulgated by NDRC, Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purpose) in Hong Kong jointly issued by the Environmental Protection Department and Electrical and Mechanical Services Department of Hong Kong and the GHG Protocol for emissions of office operations. The assessment covers the 6 GHG types regulated under the Kyoto Protocol, including carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), perfluorocarbons (PFCs), hydrofluorocarbons (HFCs) and sulphur hexafluoride (SF₆); calculation of global warming potential (GWP) is based on data over 100 years set out in the Sixth Assessment Report (AR6) published by IPCC.

⁸ Scope 2 – Energy indirect GHG mainly originated from the consumption of purchased electricity and heat during production. The relevant emission data was computed according to the 2022 national power grid average emission factor announced by the Ministry of Ecology of the People's Republic of China.

⁹ Scope 3 – Other indirect GHG included carbon emission from biomass, solid and hazardous waste transportation, off-site power consumption, waste paper disposal and business flights. Carbon emission from biomass, solid and hazardous waste and general industrial solid waste transportation was computed with reference to CDM's Project and Leakage Emissions from Transportation of Freight; emission data of off-site power consumption was computed according to the 2022 national power grid average emission factor announced by the Ministry of Ecology of the People's Republic of China; carbon emission from business flights was computed using the carbon emission computation tool of the International Civil Aviation Organization.

¹⁰ Including data from biomass projects only.

Indicator	Unit	2023	2022	2021
Energy consumption and intensity¹¹				
Direct energy	MWh	27,312,163	29,182,977	9,402,344
Gasoline	MWh	4,302	1,855	4,375
Diesel	MWh	91,755	56,610	109,291
Liquefied natural gas (LNG)	MWh	99	145	21
Liquefied petroleum gas (LPG)	MWh	722	0	791
Natural gas	MWh	90,229	62,311	44,277
Methane	MWh	0	0	0
Ethyne	MWh	0	0	8
Heavy oil	MWh	25,451	7,527	12,693
Fuel	MWh	0	0	2,764
Household waste (fossil carbon)	MWh	5,543,005	7,577,050	799,031
Household waste (biocarbon) ¹²	MWh	6,429,885	8,789,379	1,346,635
General industrial solid waste (fossil carbon)	MWh	872,745	Not yet commissioned	Not yet commissioned
General industrial solid waste (biocarbon) ¹²	MWh	1,012,384	Not yet commissioned	Not yet commissioned
Biomass (biocarbon) ¹²	MWh	21,357,504	15,304,958	15,011,756
Renewable electricity ¹³	MWh	289,015	262,789	276,985
Self-generated electricity consumption	MWh	792,556	722,996	697,256
Self-generated steam (heat) consumption	MWh	55,756	4,827,565	114,083
Unconsumed self-generated electricity	MWh	0	0	0
Unconsumed self-generated steam (heat)	MWh	0	0	0
Sold electricity	MWh	(6,498,329)	(6,291,582)	(6,285,708)
Sold steam (heat)	MWh	(2,726,384)	(2,138,625)	(1,920,575)
Sold hot water (heat)	MWh	(28,532)	N/A	N/A
Indirect energy	MWh	116,137	101,201	98,907
Purchased electricity	MWh	110,338	101,201	92,580
Purchased steam (heat)	MWh	5,799	0	6,327
Total energy consumption	MWh	27,438,090	29,284,178	9,501,251
Energy intensity (based on operating revenue)	MWh/HK\$'000	4.28	4.59	1.50
Water consumption and intensity				
Total water consumption	m ³	29,382,363	24,557,582	23,521,151
Water consumption intensity (based on operating revenue)	m ³ /HK\$'000	4.58	3.85	3.70
Total volume of packaging material used for finished products and intensity				
Total volume of packaging materials	tonne	0	0	0
Intensity of packaging materials (based on operating revenue)	kg/HK\$ million	0	0	0

¹¹ Conversion of fuel energy is based on low calorific value; conversion of steam energy is based on temperature and pressure. Total energy consumption is equivalent to non-renewable fuel consumed, renewable fuel consumed and purchased energy (electricity, heating, cooling and steam) and unconsumed self-generated energy (electricity, heating, cooling and steam) minus sold energy (electricity, heating, cooling and steam).

¹² Biomass fuel is defined as renewable fuel in accordance with GRI definitions.

¹³ The Group has optimised the relevant definition, namely, the on-grid power generation volume of solar energy and wind power projects.



Indicator	Unit	Integrated biomass utilisation	Hazardous and solid waste treatment	General industrial solid waste treatment	Solar energy and wind power	Office operation
GHG emission (Tonne CO₂ equivalent)						
Scope 1	Tonne CO₂ equivalent	1,434,311	826,785	359,800	39	77
Fossil fuel combustion – stationary source	Tonne CO ₂ equivalent	10,822	24,592	3,368	0.26	0
Fossil fuel combustion – mobile source	Tonne CO ₂ equivalent	15,499	847	362	38	77
Fugitive emission	Tonne CO ₂ equivalent	386	1	0	0	0
GHG released from waste incineration (fossil carbon)	Tonne CO ₂ equivalent	1,352,627	649,782	342,338	0	0
GHG released from waste incineration (CH ₄ , N ₂ O)	Tonne CO ₂ equivalent	53,879	0	13,732	0	0
GHG released from methane combustion generated by the system for anaerobic processing of waste leachate	Tonne CO ₂ equivalent	1,098	0	0	0	0
Direct atmospheric GHG emission released from methane combustion generated by the system for anaerobic processing of waste leachate	Tonne CO ₂ equivalent	0	0	0	0	0
GHG released from solid and hazardous waste landfill (CH ₄)	Tonne CO ₂ equivalent	0	151,564	0	0	0
Scope 2	Tonne CO₂ equivalent	11,920	52,840	713	766	133
Purchased electricity	Tonne CO ₂ equivalent	11,920	50,544	713	766	133
Purchased steam (heat)	Tonne CO ₂ equivalent	0	2,296	0	0	0
Scope 3	Tonne CO₂ equivalent	196,788	23,521	29,120	0	104
Transportation of biomass, solid and hazardous waste	Tonne CO ₂ equivalent	194,662	23,511	29,120	0	0
Off-site power consumption	Tonne CO ₂ equivalent	2,087	0	0	0	0
Paper waste disposal	Tonne CO ₂ equivalent	0	0	0	0	3
Business flights	Tonne CO ₂ equivalent	38	11	0	0	101
Total GHG emissions (Scopes 1 and 2)	Tonne CO₂ equivalent	1,446,231	879,625	360,513	804	210
GHG emission intensity (Scopes 1 and 2)	Tonne CO₂ equivalent/tonne	0.13	1.77	0.99	0.003	0.91
Total GHG emissions (Scopes 1, 2 and 3)	Tonne CO₂ equivalent	1,643,018	903,146	389,633	804	314
GHG emission intensity (Scopes 1, 2 and 3)	Tonne CO₂ equivalent/tonne	0.15	1.82	1.07	0.003	1.35
GHG emission intensity unit		Based on volume of Biomass processed (tonne CO₂ equivalent/tonne)	Based on volume of hazardous and solid waste processed (tonne CO₂ equivalent/tonne)	Based on general industrial solid waste processed (tonne CO₂ equivalent/tonne)	Based on volume of electricity generation (tonne CO₂ equivalent/MWh)	Based on employee headcount (tonne CO₂ equivalent/employee)
Biogenic GHG emission	Tonne CO ₂ equivalent	628,379	65,169	179,260	0	0

Destination of water discharge/total volume of sewage discharge (cubic metre) ¹⁴		Integrated biomass utilisation	Hazardous and solid waste treatment	General industrial solid waste treatment	Solar energy and wind power	Office operation
Sewer	Cubic metre	2,759,047	274,859	670,430	3,758	5,271
Surface water	Cubic metre	123,059	0	0	0	0
Water source and total volume of water acquisition (cubic metre)		Integrated biomass utilisation	Hazardous and solid waste treatment	General industrial solid waste treatment	Solar energy and wind power	Office operation
Surface water	Cubic metre	14,369,016	208,478	1,057,781	0	0
Underground water	Cubic metre	582,761	4,674	0	0	0
Municipal and other water supply facilities	Cubic metre	4,997,194	800,846	237,021	3,497	5,094
Direct collection and storage of rainwater	Cubic metre	1,502	211,643	0	0	0
Waste water from other entities	Cubic metre	6,812,059	25,412	65,386	0	0
Hazardous waste (tonne)		Integrated biomass utilisation	Hazardous and solid waste treatment	General industrial solid waste treatment	Solar energy and wind power	Office operation
Preparation for reuse (enabling items that would otherwise become waste to be put to their original use again through inspection, cleaning or repair)	Tonne	0	0	0	0	0
Regeneration (regeneration of waste into new materials through reprocessing and manufacturing)	Tonne	8	97	0	0	0
Incineration (including energy recycling)	Tonne	18	27	0	0	0
Incineration (without energy recycling)	Tonne	0	1,080	0	0	0
Landfill after solidification	Tonne	101,794	19,833	4,088	0	0
Landfill	Tonne	7,948	42,783	8,168	0	0
On-site storage	Tonne	4,622	0	0	0	0
Handling by qualified agents entrusted	Tonne	61	18,570	6,201	0	0
Types of hazardous waste (tonne)		Integrated biomass utilisation	Hazardous and solid waste treatment	General industrial solid waste treatment	Solar energy and wind power	Office operation
Ash	Tonne	114,363	18,456	18,456	0	0
Bottom ash	Tonne	0	60,458	0	0	0
Waste activated carbon	Tonne	18	561	1	0	0
Waste motor oil	Tonne	21	18	0	0	0
Waste fabric bags	Tonne	38	182	0	0	0
Toner cartridges	Tonne	0	0	0	0	0
Ink boxes	Tonne	0	0	0	0	0
Fluorescent lamps (fluorescent tubes)	Tonne	0	0	0	0	0
Sludge (originated from sewage treatment facilities)	Tonne	0	1,190	0	0	0
Others	Tonne	9	1,525	0	0	0

¹⁴ Sewage treatment facilities varied from project to project. The main processes included pre-processing (reduction neutralisation, flocculation and sedimentation), secondary biochemical processing (anaerobic processing, anaerobic/aerobic processing, membrane bioreactor, disk tubular reverse osmosis (DTRO), etc.), filtering (nanofiltration, reverse osmosis) and disinfection before reuse or discharge. The requirements for discharge quality also varied from project to project. The chemical oxygen demand ("COD") of all processed sewage must comply with the three-tiered standards under the Consolidated Sewage Discharge Standards (GB8978-1996), namely, not more than 500 mg/litres, and suspended solids (SS) must not be more than 400 mg/litres. Some processed sewage is required to comply with the cooling water standard under Water Quality of Industrial Water Through Urban Sewage Reuse (GB/T19923-2005), namely, COD of not more than 60 mg/litres and SS of not more than 1 mg/litres, before it can be discharged or reused.



Non-hazardous waste (tonne)		Integrated biomass utilisation	Hazardous and solid waste treatment	General industrial solid waste treatment	Solar energy and wind power	Office operation
Preparation for reuse (enabling items that would otherwise become waste to be put to their original use again through inspection, cleaning or repair)	Tonne	5,368	0	0	0	0
Regeneration (regeneration of waste into new materials through reprocessing and manufacturing)	Tonne	1,400,580	7	12,488	0	0
Incineration (including energy recycling)	Tonne	20,692	4	13	0	15
Incineration (without energy recycling)	Tonne	23	140	0	0	0
Composting	Tonne	21,786	0	0	0	0
Landfill	Tonne	135,782	6	0	6	0
Handling by qualified agents entrusted	Tonne	1,562,485	77	97,719	0	1

Types of non-hazardous waste (tonne)¹⁵		Integrated biomass utilisation	Hazardous and solid waste treatment	General industrial solid waste treatment	Solar energy and wind power	Office operation
Bottom ash	Tonne	2,358,723	0	99,330	0	0
Kitchen waste	Tonne	163	148	9	6	2
Household waste	Tonne	590	86	15	1	14
Sludge (originated from sewage treatment facilities)	Tonne	20,141	0	0	0	0
Ash	Tonne	767,099	0	10,867	0	0

¹⁵ Based on the actual situation of the Group's business, two categories, namely grease and meat and bone power which are not considered to be wastes, were removed from the table in 2023.

SOCIAL PERFORMANCE

Indicator		Unit	2023	2022	2021
Total employee headcount		person	3,569¹⁶	3,580	3,889
By gender	Male	person	2,820	2,808	3,033
	Female	person	749	772	856
By age	30 or below	person	1,286	1,337	1,531
	31-40	person	1,679	1,701	1,779
	41-50	person	483	436	465
	51 or above	person	121	106	114
By employment contract	Permanent	person	509	402	330
	Term	person	3,060	3,178	3,559
By employment category	Full-time	person	3,569	3,580	3,889
	Part-time	person	0	0	0
By geographical region	Hong Kong	person	16	16	18
	Mainland China	person	3,553	3,564	3,871
New employee headcount and ratio		person (%)	434 (11.16%)	599 (16.73%)	1,030 (26.48%)
By gender	Male	person (%)	355 (9.95%)	494 (13.80%)	815 (26.87%)
	Female	person (%)	79 (2.21%)	105 (2.93%)	215 (25.12%)
By age	30 or below	person (%)	287 (8.04%)	326 (9.11%)	539 (35.21%)
	31-40	person (%)	123 (3.45%)	235 (6.56%)	393 (22.09%)
	41-50	person (%)	23 (0.64%)	37 (1.03%)	85 (18.28%)
	51 or above	person (%)	1 (0.03%)	1 (0.03%)	13 (11.40%)
By geographical region	Hong Kong	person (%)	2 (0.06%)	1 (0.03%)	3 (16.67%)
	Mainland China	person (%)	432 (12.10%)	598 (16.70%)	1,027 (26.53%)
Employee turnover headcount and ratio		person (%)	419 (11.74%)	673 (18.80%)	755 (19.41%)
By gender	Male	person (%)	330 (9.25%)	544 (15.20%)	618 (20.38%)
	Female	person (%)	89 (2.49%)	129 (3.60%)	137 (16.00%)
By age	30 or below	person (%)	188 (5.27%)	300 (8.38%)	374 (24.43%)
	31-40	person (%)	176 (4.93%)	300 (8.38%)	310 (17.43%)
	41-50	person (%)	41 (1.15%)	61 (1.70%)	58 (12.47%)
	51 or above	person (%)	14 (0.39%)	12 (0.34%)	13 (11.40%)
By geographical region	Hong Kong	person (%)	2 (0.06%)	3 (0.08%)	2 (11.11%)
	Mainland China	person (%)	417 (11.68%)	670 (18.72%)	753 (19.45%)
Proportion of total annual remuneration					
Total annual remuneration of highest paid employee in proportion to the median of the total annual remuneration of all employees ¹⁷ (excluding that of the highest paid employee)		—	26.99:1	33.03:1	30.79:1
Incremental rate of total annual remuneration of highest paid employee in proportion to the annual percentage growth of the median of the total annual remuneration of all employees ¹⁷ (excluding that of the highest paid employee)		—	-0.71:1	-0.01:1	0.48:1
Parental leave statistics					
Total number of employees eligible for parental leave during the year	Male	person	601 ¹⁸	1,209	1,832
	Female	person	153 ¹⁸	306	490
Total number of employees applying for parental leave during the year	Male	person	66	112	91
	Female	person	42	43	40
Total number of employees returning to work after parental leave and return to work rate during the year	Male	person (%)	63 (95.45%)	109 (97.32%)	125 (94.70%)
	Female	person (%)	41 (97.62%)	39 (90.70%)	46 (90.20%)
Total number of employees returning to work after parental leave and remaining in service after 12 months and retention rate during the year	Male	person (%)	32 (48.48%)	37 (33.04%)	31 (34.83%)
	Female	person (%)	20 (47.62%)	19 (44.19%)	16 (61.54%)

¹⁶ Including 2,539 contract-based workers and 1,030 other workers (including post-retirement hiring, outsourced workers and contract workers).

¹⁷ Including contract-based employees only.

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



Indicator	Unit	2023	2022	2021	
Health and safety statistics					
Number and ratio of workers covered by occupational health and safety management system ¹⁹	person (%)	7,702 (100%)	7,932 (100%)	8,828 (100%)	
Number and ratio of workers covered by internally audited management systems ²⁰	person (%)	7,702 (100%)	7,932 (100%)	8,828 (100%)	
Number and ratio of workers covered by externally certified management systems ²¹	person (%)	3,569 (46.34%)	3,580 (45.13%)	3,350 (37.95%)	
Number and rate of fatality caused by work-related injuries ²²	Employees	Case (case/per 200,000 hours)	0 (0)	0 (0)	0 (0)
	Other workers	Case (case/per 200,000 hours)	0 (0)	0 (0)	0 (0)
	Employees	Case (case/per 200,000 hours)	0 (0)	0 (0)	0 (0)
Number and rate of high-consequence work-related injuries ²³	Other workers	Case (case/per 200,000 hours)	0 (0)	0 (0)	0 (0)
	Employees	Case (case/per 200,000 hours)	0 (0)	0 (0)	0 (0)
Number and rate of recordable work-related injuries ²⁴	Other workers	Case (case/per 200,000 hours)	0 (0)	0 (0)	0 (0)
	Employees	Case (case/per 200,000 hours)	0 (0)	0 (0)	0 (0)
Lost days due to work-related injuries	Employees	Day	0	0	0
	Other workers	Day	0	0	0
Number of work-related ill health	Employees	Case	0	0	0
	Other workers	Case	0	0	0
Working hours ²⁵	Employees	Hour	7,138,000	7,160,000	7,778,000
	Other workers	Hour	8,266,000	8,704,000	9,878,000
Employees training ratio					
		%	93.42%	100%	100%
By gender	Male	%	93.19%	100%	100%
	Female	%	94.26%	100%	100%
By employee category	Senior management	%	94.64%	100%	100%
	Middle management	%	90.64%	100%	100%
	General and technical employees	%	93.89%	100%	100%
Average training hours per employee					
		Hour	17.48	17.34	19.31
By gender	Male	Hour	18.98	17.96	20.64
	Female	Hour	11.85	15.06	14.61
By employee category	Senior management	Hour	26.79	24.05	18.93
	Middle management	Hour	14.70	14.21	19.99
	General and technical employees	Hour	17.64	17.68	19.21
Number of suppliers					
		unit	2,908	2,686	2,308
By region	Hong Kong	unit	59	68	68
	Mainland China	unit	2,849	2,617	2,239
	Overseas	unit	0	1	1
By type	Raw materials and equipment	unit	2,014	1,558	1,417
	Engineering work	unit	140	171	161
	Other services ²⁶	unit	754	957	730
Statistics of eligible retired employees					
Hong Kong	Senior management	person (%)		Within 5 years 0 (0%)	Within 10 years 1 (0.45%)
	Middle management	person (%)		0 (0%)	0 (0%)
	General and technical employees	person (%)		0 (0%)	0 (0%)
Mainland China	Senior management	person (%)		9 (13.43%)	27 (12.16%)
	Middle management	person (%)		12 (17.91%)	60 (27.03%)
	General and technical employees	person (%)		46 (68.66%)	134 (60.36%)

¹⁹ Comprising employees as well as on-site project workers of third-party contractors and sub-contractors, including 4,133 onsite project workers of third-party contractors and sub-contractors.

²⁰ The Group's ESHS management regime.

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

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

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

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

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

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

APPENDIX 4: STOCK EXCHANGE ESG REPORTING GUIDE CONTENT INDEX

Aspects	Contents	Relevant chapter(s) and/or other explanations	Page
A. Environmental			
A1 Emissions			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	<ul style="list-style-type: none"> — Green Recycling — KPI Overview <p>The Group observed stringent compliance with pertinent laws and regulations of the places where it operated during the Reporting Year to ensure legal compliance. For details of the Group's legal management, please refer to the section "Appendix 1: Legal Compliance" in this Report.</p>	62-67, 125, 127
A1.1	Types of emissions and respective emissions data.	Meanwhile, the Group has also formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	131-135
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and intensity.		131, 133
A1.3	Total hazardous waste produced and intensity.		131
A1.4	Total non-hazardous waste produced and intensity.		131
A1.5	Description of emission targets set and steps taken to achieve them.	The Group has not yet set specific targets for emission reduction and waste reduction, but it has continuously monitored the performance of emissions and waste generation and will consider setting targets in the future.	62
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction targets set and steps taken to achieve them.		67



Aspects	Contents	Relevant chapter(s) and/or other explanations	Page
A2 Use of Resources			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	<ul style="list-style-type: none"> — Green Recycling — Stable Supply 	77–79, 97
A2.1	Direct and/or indirect energy consumption by type in total and intensity.	<ul style="list-style-type: none"> — KPI Overview <p>The Group has formulated relevant ESG policies. For details of the ESG policies, please refer to the</p>	132
A2.2	Water consumption in total and intensity.	ESG policies, please refer to the section “Appendix 2: List of	133
A2.3	Description of energy use efficiency targets set and steps taken to achieve them.	Important ESG Policies” in this Report.	77–78
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency targets set and steps taken to achieve them.	The Group has not yet set specific targets for energy conservation and water conservation, but it has continuously monitored the	78–79, 97
A2.5	Total packaging material used for finished products and per unit produced.	<p>performance of energy use and water use and will consider setting targets in the future.</p> <p>The Group is not subject to problems in connection with access to water sources for the time being. The Group is engaged in the provision of environmental services. Due to the nature of the Group’s business, no packaging materials were used during the Reporting Year.</p>	132
A3 Environment and Natural Resources			
General Disclosure	Policies on minimising the issuer’s significant impacts on the environment and natural resources.	<ul style="list-style-type: none"> — Green Recycling <p>The Group is engaged in the provision of environmental services and did not generate any material</p>	62–84
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	<p>adverse impact on the environment and natural resources during the Reporting Year. Meanwhile, the Group has also formulated relevant ESG policies. For details of the ESG policies, please refer to the section “Appendix 2: List of Important ESG Policies” in this Report.</p>	62–84

Aspects	Contents	Relevant chapter(s) and/or other explanations	Page
A4 Climate Change			
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	<ul style="list-style-type: none"> — Addressing Climate Change — Green Recycling — Safe Production — Stable Supply 	37–44, 68–70
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.		52–54, 95–97
B. Social			
B1 Employment			
General Disclosure	Information on: <ul style="list-style-type: none"> (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. 	<ul style="list-style-type: none"> — Employee Development — KPI Overview <p>The Group observed stringent compliance with pertinent laws and regulations of the places where it operated during the Reporting Year to ensure legal compliance. For details of the Group’s legal management, please refer to the section “Appendix 1: Legal Compliance” in this Report. Meanwhile, the Group has also formulated relevant ESG policies. For details of the ESG policies, please refer to the section “Appendix 2: List of Important ESG Policies” in this Report.</p>	107–114, 136
B1.1	Total workforce by gender, employment type, age group and geographical region.		136
B1.2	Employee turnover rate by gender, age group and geographical region.		136



Aspects	Contents	Relevant chapter(s) and/or other explanations	Page
B2 Health and Safety			
General Disclosure	Information on:	— Safe Production	46–50,
	(a) the policies; and	— KPI Overview	137
	(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.	The Group observed stringent compliance with pertinent laws and regulations of the places where it operated during the Reporting Year to ensure legal compliance. For details of the Group's legal management, please refer to the section "Appendix 1: Legal Compliance" in this Report.	
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Meanwhile, the Group has also formulated relevant ESG policies.	137
B2.2	Lost days due to work injury.	For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	137
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.		46–50
B3 Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	— Safe Production	51–55,
		— Employee Development	115–118
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	— KPI Overview	137
B3.2	The average training hours completed per employee by gender and employee category.	The Group has formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	137

Aspects	Contents	Relevant chapter(s) and/or other explanations	Page
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.	— Employee Development The Group observed stringent compliance with pertinent laws and regulations of the places where it operated during the Reporting Year to ensure legal compliance. For details of the Group’s legal management, please refer to the section “Appendix 1: Legal Compliance” in this Report.	111
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Meanwhile, the Group has also formulated relevant ESG policies. For details of the ESG policies, please refer to the section “Appendix 2: List of Important ESG Policies” in this Report.	111
B4.2	Description of steps taken to eliminate such practices when discovered.		
B5 Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	— Safe Production — Green Recycling — Stable Supply — KPI Overview The Group has formulated relevant ESG policies. For details of the ESG policies, please refer to the section “Appendix 2: List of Important ESG Policies” in this Report.	51–52, 85, 93–95
B5.1	Number of suppliers by geographical region.		137
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.		93–95
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.		93–95
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.		93–95, 96



Aspects	Contents	Relevant chapter(s) and/or other explanations	Page
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.	<ul style="list-style-type: none"> — Stable Supply — Technological Development 	87–90, 103–104
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	The Group’s operations did not involve matters relating to advertisements and labels or recall measures. The Group observed stringent compliance with pertinent laws and regulations of the places where it operated during the Reporting Year to ensure legal compliance. For details of the Group’s legal management, please refer to the section “Appendix 1: Legal Compliance” in this Report.	
B6.2	Number of products and service-related complaints received and how they are dealt with.	In addition, the Group did not receive any material complaint about products and services during the Reporting Year. Meanwhile, the Group has also formulated relevant ESG policies. For details of the ESG policies, please refer to the section “Appendix 2: List of Important ESG Policies” in this Report.	103–104
B6.3	Description of practices relating to observing and protecting intellectual property rights.		
B6.4	Description of quality assurance process and recall procedures.		87–90
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.		90–93

Aspects	Contents	Relevant chapter(s) and/or other explanations	Page
B7 Anti-corruption			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	— Promotion of Sustainability Development The Group and its staff observed stringent compliance with pertinent laws and regulations of the places where it operated during the Reporting Year to ensure legal compliance. For details of the Group's legal management, please refer to the section "Appendix 1: Legal Compliance" in this Report. In addition, the Group did not receive any material complaint about corruption during the Reporting Year. Meanwhile, the Group has also formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	23–25
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.		25
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.		25
B7.3	Description of anti-corruption training provided to directors and employees.		23
B8 Community Investment			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	— Employee Development	119–123
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).		119–123
B8.2	Resources contributed (e.g. money or time) to the focus area.		119–123



APPENDIX 5: GRI CONTENT INDEX

1 GRI INDEX

1.1 Statement of Use

Statement of use	China Everbright Greentech Limited has reported the information cited in this GRI content index for the period January 1 to December 31, 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standards	Disclosure headline	Relevant chapter(s) and/or other explanations	Page
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1.2 GRI 2: General Disclosure

Organization Profile

The organization and its reporting practices

2-1	Organizational details	Company Profile	3-7
2-2	Entities included in the organization's sustainability reporting	About this Report	13
2-3	Reporting period, frequency and contact point	About this Report	13
2-4	Restatements of information	KPI Overview	134-135
2-5	External assurance	Verification Statement Third-party verifiers verify environmental data such as greenhouse gas emissions, energy consumption, water intake and waste production data; social data such as employees, training and health and safety data; and the contents contained in the Report.	124

Activities and workers

2-6	Activities, value chain and other business relationships	For information on the number of suppliers and their geographical locations, please refer to KPI B5.1: Number of suppliers by region. More information about Everbright Greentech can be found on the Company's website: https://www.ebgreentech.com/en/global/home.php	137
2-7	Employees	Employee Development	106-118
2-8	Workers who are not employees	Not Applicable	

GRI Standards	Disclosure headline	Relevant chapter(s) and/or other explanations	Page
Governance			
2-9	Governance structure and composition	Please refer to the Annual Report for relevant information.	
2-10	Nomination and selection of the highest governance body	Promotion of Sustainability Development	19-20
2-11	Chair of the highest governance body	Mr. Huang Haiqing (Non-executive Director), Chairman of the Board of Directors of China Everbright Greentech Limited	
2-12	Role of the highest governance body in overseeing the management of impacts	Promotion of Sustainability Development	19-20
2-13	Delegation of responsibility for managing impacts	Please refer to the Annual Report for relevant information.	
2-14	Role of the highest governance body in sustainability reporting	Promotion of Sustainability Development	19-24
2-15	Conflicts of interest	Promotion of Sustainability Development	19-25
2-16	Communication of critical concerns	Promotion of Sustainability Development	19-24
2-17	Collective knowledge of the highest governance body	Promotion of Sustainability Development	19-24
2-18	Evaluation of the performance of the highest governance body	Promotion of Sustainability Development	
2-19	Remuneration policies	Please refer to the Annual Report for relevant information.	
2-20	Process to determine remuneration	Please refer to the Annual Report for relevant information.	
2-21	Annual total compensation ratio	Please refer to the Annual Report for relevant information.	
Strategies, policies and practices			
2-22	Statement on sustainable development strategy	Promotion of Sustainability Development	19-21
2-23	Policy commitments	Promotion of Sustainability Development	23-25
2-24	Embedding policy commitments	Promotion of Sustainability Development	23-25



GRI Standards	Disclosure headline	Relevant chapter(s) and/or other explanations	Page
2-25	Processes to remediate negative impacts	<p>Appendix 2: List of important ESG Policies</p> <p>To safeguard the orderly operation of business and promote healthy development of the enterprise as well as to enhance internal control, the Group revised its Whistleblowing Policy during the Reporting Year to assist internal or external stakeholders (including staff, investors and suppliers) to report actual or suspected illegal acts and improprieties to report@ebgreentech.com via email or 36/F Far East Financial Centre, 16 Harcourt Road, Hong Kong or West Wing, 27/F, Oriental New World Plaza, 1003 Shennan Avenue, Futian District, Shenzhen, PRC via post. The channels are published on the corporate website and in the Staff Handbook and Annual Report.</p> <p>For further information, please refer to the Annual Report.</p>	127-129
2-26	Mechanisms for seeking advice and raising concerns	<p>Appendix 2: List of important ESG Policies</p> <p>To safeguard the orderly operation of business and promote healthy development of the enterprise as well as to enhance internal control, the Group revised its Whistleblowing Policy during the Reporting Year to assist internal or external stakeholders (including staff, investors and suppliers) to report actual or suspected illegal acts and improprieties to report@ebgreentech.com via email or 36/F Far East Financial Centre, 16 Harcourt Road, Hong Kong or West Wing, 27/F, Oriental New World Plaza, 1003 Shennan Avenue, Futian District, Shenzhen, PRC via post. The channels are published on the corporate website and in the Staff Handbook and Annual Report.</p> <p>For further information, please refer to the Annual Report.</p>	128
2-27	Compliance with laws and regulations	<p>The Company had no confirmed material violations of regulations during the Reporting Year.</p>	

GRI Standards	Disclosure headline	Relevant chapter(s) and/or other explanations	Page
2-28	Membership associations	Corporate memberships included: <ul style="list-style-type: none"> • China Resource Recycling Association Hazardous Waste Committee • China Industry Development Promotion Association Biomass Energy Industry Chapter (“Biomass Energy Industry Alliance”) • China Rubber Industry Association Integrated Waste Rubber Utilisation Branch • China Environmental Protection Industry Association • Jiangsu Environmental Protection Industry Association • Sichuan Electric Power Enterprise Association • Jiangsu City Management and Administration and Law Enforcement Institute • Sichuan Municipal Affairs and Cityscape Association 	
Stakeholder engagement			
2-29	Approach to stakeholder engagement	Promotion of Sustainability Development	29–32
2-30	Collective bargaining agreements	Not Applicable	
1.3 GRI 3: Material Topics			
Material Topics			
3-1	Process to determine material topics	Promotion of Sustainability Development	32–33
3-2	List of material topics	Promotion of Sustainability Development	34–35
1.4 GRI 200: Economic			
Economic			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Green Recycling	72–76



GRI Standards	Disclosure headline	Relevant chapter(s) and/or other explanations	Page
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	Please refer to the Annual Report for relevant information.	
201-2	Financial implications and other risks and opportunities due to climate change	Addressing Climate Change	36-45
201-3	Defined benefit plan obligations and other retirement plan	Please refer to the Annual Report for relevant information.	
201-4	Financial assistance received from government	Please refer to the Annual Report for relevant information.	
Market Presence			
GRI 202: Market Presence 2016			
202-2	Proportion of senior management hired from the local community	The localisation ratio of senior management for the year was 100% (local citizens referring to PRC citizens).	
Procurement Practices			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Stable Supply	93-95
GRI 204: Procurement 2016			
204-1	Proportion of spending on local suppliers	All procurement expenditure for the year was paid to local suppliers (namely, suppliers in China).	
Anti-corruption			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Promotion of Sustainability Development	23-25
GRI 205: Anti-Corruption 2016			
205-1	Operations assessed for risks related to corruption	Corruption-related risks have been taken into consideration to ensure on a best effort basis that corruption-related risk assessment is conducted in respect of the principal businesses.	
205-2	Communication and training about anti-corruption policies and procedures	Promotion of Sustainability Development	23-25
205-3	Confirmed incidents of corruption and actions taken	Promotion of Sustainability Development The Company was not subject to any confirmed material violation of laws and regulations during the Reporting Period.	25

GRI Standards	Disclosure headline	Relevant chapter(s) and/or other explanations	Page
1.5 GRI 300: Environmental			
Energy			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Green Recycling	77-78
GRI 301: Materials 2016			
301-1	Materials used by weight or volume	KPI Overview	132
GRI 302 : Energy 2016			
302-1	Energy consumption within the organization	KPI Overview	132
302-2	Energy consumption outside of the organization	KPI Overview	132
302-3	Energy intensity	KPI Overview	132
302-4	Reduction of energy consumption	KPI Overview	132
Water and Effluents			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Green Recycling	78-79
GRI 303: Water and Effluents 2018			
303-1	Interactions with water as a shared resource	Green Recycling Stable Supply The Group has not formulated any specific goals in relation to water resources at present, but have carried out ongoing supervision of water consumption performance and will consider the formulation of relevant goals in future.	78-79, 97
303-2	Management of water discharge-related impacts	Green Recycling	78-79
303-3	Water withdrawal	KPI Overview	133
303-4	Water discharge	KPI Overview	133
303-5	Water consumption	KPI Overview	133
Biodiversity			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Green Recycling	80-84



GRI Standards	Disclosure headline	Relevant chapter(s) and/or other explanations	Page
GRI 304: Biodiversity 2016			
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Green Recycling	83
304-2	Significant impacts of activities, products and services on biodiversity	Green Recycling	82-83
304-3	Habitats protected or restored	Green Recycling	83
Emissions			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Green Recycling	62-71, 78-79
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	KPI Overview	131, 133
305-2	Energy indirect (Scope 2) GHG emissions	KPI Overview	131, 133
305-3	Other indirect (Scope 3) GHG emissions	KPI Overview	131, 133
305-4	GHG emission intensity	KPI Overview	131, 133
305-5	Reduction of GHG emissions	KPI Overview	131
305-6	Emissions of ozone-depleting substances (ODS)	The Company was not involved in any production, destruction and use of ozone depleting substance (ODS) during the Reporting Year and hence did not produce related emissions.	
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	KPI Overview	131
Waste			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Green Recycling	62-67
GRI 306: Waste 2020			
306-1	Waste generation and significant waste-related impacts	Green Recycling	67
306-2	Management of significant waste-related impacts	Green Recycling	67

GRI Standards	Disclosure headline	Relevant chapter(s) and/or other explanations	Page
306-3	Waste generated	KPI Overview	134-135
306-4	Waste diverted from disposal	KPI Overview	134-135
306-5	Waste directed to disposal	KPI Overview	134-135
Supplier Environmental Assessment			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Green Recycling Stable Supply	85, 93-95
GRI 308 Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	The Company applied environmental criteria in the screening of new suppliers during the Reporting Year.	
1.6 Social			
Labour Relations			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Employee Development	107-114
GRI 401: Employment 2016			
401-1	New employee hires and turnover	KPI Overview	136
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Development	107-108
401-3	Parental leave	Employee Development KPI Overview	108, 136
Occupational Health and Safety			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Safe Production	46-61
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	Safe Production	46-61
403-2	Hazard identification, risk assessment, and incident investigation	Safe Production	46-61
403-3	Occupational health services	Safe Production	57-59



GRI Standards	Disclosure headline	Relevant chapter(s) and/or other explanations	Page
403-4	Worker participation, consultation, and communication on occupational health and safety	Safe Production	46-61
403-5	Worker training on occupational health and safety	Safe Production	56-58
403-6	Promotion of worker health	Safe Production	57-59
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safe Production	46-61
403-8	Workers covered by an occupational health and safety management system	Safe Production	49-52
403-9	Work-related injuries	KPI Overview	137
403-10	Work-related ill health	KPI Overview	137
Training and Education			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Employee Development	115-118
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	KPI Overview	137
404-2	Programs for updating employee skills and transition assistance programs	Employee Development	115-118
404-3	Percentage of employees receiving regular performance and career development reviews	All employees of the Company received regular performance and career development reviews during the Reporting Year.	
Diversity and Equal Opportunity			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Employee Development	111-114
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	Employee Development KPI Overview	111-114, 136
Non-discrimination			

GRI Standards	Disclosure headline	Relevant chapter(s) and/or other explanations	Page
GRI 3: Material Topics 2021			
3-3	Management of material topics	Employee Development	111-114
GRI 406: Non-Discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	Employee Development	113-114
Freedom of Association and Collective Bargaining			
GRI 407: Freedom of Association and Collective Bargaining 2016			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	There was no infringement upon the freedom of association and right to collective bargaining at the Company or its suppliers during the Reporting Year, and there were no related risks.	
Forced or Compulsory Labor			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Employee Development	111
GRI 409: Forced or Compulsory Labor 2016			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Employee Development There was no incidents of forced or compulsory labour at the Company or its suppliers during the Reporting Year, and there were no related risks.	111
Rights of Indigenous Peoples			
GRI 411: Rights of Indigenous Peoples 2016			
411-1	Incidents of violations involving rights of indigenous peoples	The Company was not involved in confirmed material incidents of violations involving rights of indigenous peoples during the Reporting Year.	
Local Communities			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Employee Development	119-123
GRI 413: Local Communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	Employee Development Green Recycling	119-123, 80-84



GRI Standards	Disclosure headline	Relevant chapter(s) and/or other explanations	Page
413-2	Operations with local community engagement, impact assessments, and development programs	Green Recycling	80-84
Supplier Social Assessment			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Stable Supply	93-95
GRI 414: Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	The Company applied social criteria in the screening of new suppliers during the Reporting Year.	
Customer Health and Safety			
GRI 416: Customer Health and Safety 2016			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	We were not involved in any violation of health and safety laws relating to products and services during the Reporting Year.	
Marketing and Labeling			
GRI 417: Marketing and Labeling 2016			
417-2	Incidents of non-compliance concerning product and service information and labeling	During the Reporting Year, we did not have any violations of regulations or voluntary codes on product and service information or labeling, and we were not fined, penalized or warned.	
417-3	Incidents of non-compliance concerning marketing communications	During the Reporting Year, we did not have any incidents of violation of regulations or voluntary codes of marketing communications, and we were not fined, penalized or warned.	
Customer Privacy			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Stable Supply	90-94
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Stable Supply During the Reporting Year, we did not violate any regulations or voluntary codes that violated customer privacy or losses customer data, and we were not fined, penalized or warned.	93



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