



上海大眾公用事業(集團)股份有限公司
Shanghai Dazhong Public Utilities (Group) Co., Ltd. *

(A Joint-stock Company with Limited Liability Incorporated in the PRC)

(Stock Code: 1635)

2022 Environmental, Social and Governance Report

March 30, 2023

* *For identification purpose only*

ABOUT THIS REPORT

Report Introduction

This report is the sixth Environmental, Social and Governance Report (hereinafter referred to as the “Report”) issued by the Shanghai Dazhong Public Utilities (Group) Co, Ltd., which mainly discloses the performance in respect of, among other things, environmental protection, social contribution and corporate governance of the Company. This report was reviewed and approved by the Board of Directors which is responsible for the truthfulness and accuracy of the content.

Range of Period

This Report covers the period from January 1, 2022 to December 31, 2022. Unless otherwise specified, the data in this report covers this reporting period.

Reporting Scope

This report covers the Company’s headquarters and subsidiaries actually controlled by the Company, and the disclosure scope of data is consistent with the consolidated financial statement for the same period. It will be explained if the associates are involved in this report.

Source

Information data in this report were extracted from the public data of government departments, official documents and public disclosures of the Company. Financial data in this report were extracted from the audited annual report, whilst other data came from internal data of the Company.

Basis of Preparation

The Report has been prepared mainly pursuant to Social Responsibility of The Guidelines No. 1 for the Application of Self-Regulatory Rules for Listed Companies on the Shanghai Stock Exchange-Standardized Operation, Environmental, Social and Governance Reporting Guideline to the Main Board Listing Rules of The Stock Exchange of Hong Kong Limited. This Report is also prepared by referring to the GRI Sustainability Reporting Standards (GRI Standards) issued by Global Reporting Initiative and International Standardization Organization ISO 26000, international standards of 2010 Guidelines for Social Responsibility and other frameworks related to the domestic and overseas ESG, sustainable development and social responsibility.

Explanation

Unless otherwise specified, all financial data stated in this report are denominated in Renminbi (RMB). This report is prepared in Chinese and English, respectively, and the English version shall prevail if any ambiguities arise from the understanding of the Chinese and English texts.

Appellation Expression

For the convenience of expression and reading, the appellation of this report refers to as follows:

Company Name	Abbreviation
Shanghai Dazhong Public Utilities (Group) Co., Ltd.	“Company”, “Group”, “Dazhong Public Utilities”
Shanghai Dazhong Jiading Sewage Treatment Co., Ltd.	Dazhong Jiading Sewage
Jiangsu Dazhong Water Group Co., Ltd.	Jiangsu Dazhong
Shanghai Dazhong Run Logistics Shares Co., Ltd.	Dazhong Logistics
Dazhong Transportation (Group) Co., Ltd.	Dazhong Transportation
Dazhong Car Leasing Co., Ltd.	Dazhong Car Leasing
Shanghai Dazhong Gas Co., Ltd.	Shanghai Dazhong Gas
Nantong Dazhong Gas Co., Ltd.	Nantong Dazhong Gas
Shanghai Dazhong Financial Leasing Co., Ltd.	Dazhong Financial Leasing
Shanghai Dazhong Transportation Commerce Co., Ltd.	Dazhong Commerce
Shenzhen Capital Group Co., Ltd.	Shenzhen Capital Group
Shanghai Seari Intelligent System Co.,Ltd.	SEISYS

Reporting Principles

This report has applied four principles of Social and Governance Reporting Guideline to the Main Board Listing Rules of the Stock Exchange of Hong Kong Limited.

- Materiality: To conduct material topics assessment in determining the disclosures of this report and the degree of detail of each topic.
- Quantitative: The report discloses quantitative data in both environmental and social areas to display performance indicators.
- Balance: All data disclosed in this Report were collected from the internal management documents, statistics and publicly disclosed information, as well as public media reports, without improper modification.
- Consistency: Unless otherwise specified, the information collection and statistical methodologies used in this Report are consistent with those in previous years

Access to This Report

The report is published in electronic format and can be obtained from the official websites of the Shanghai Stock Exchange and the Stock Exchange of Hong Kong and the Company's website (<https://www.dzug.cn/>)

Feedback

In order to continuously improve the ESG management level, strengthen the quality of ESG information disclosure, and promote the practice in the concept of ESG development, we ask for advices from readers for this report (see appendix II "feedback form"). In case of any questions and feedback on this Report or the Group's ESG matters, you are welcome to contact us through the following channels:

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Phone: 021-64280679

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CHAIRMAN’S STATEMENT

Pursuing green and low-carbon development with adherence to corporate social responsibilities

Change occurs from year to year as usual and all things change from old to new. 2022 is the year of the 20th National Congress of the Communist Party of China and the first year of marching towards the second centennial goal of China. In the face of uncertainties brought by the impact of the COVID-19 epidemic and the complex and volatile domestic and international situation, the Company continues to adhere to the development strategy of “simultaneous development of public utility and financial investment”, and implements the “14th Five Year Plan” strategic development plan. The Company strives for progress while maintaining stability, coordinates epidemic prevention and control with business development, and continues to promote the healthy and steady progress of various business operations.

To actively promote the ESG construction and raise brand image

In order to reply to the national “double carbon” goal, the Company follows the development trend of the capital market and takes ESG management as the guide for the Company’s reform, innovation, transformation and upgrading strategic support and implementation measures to enhance the capability of self-sustainable development, The Company has released the Environmental, Social and Governance Report to the public for six years, showing the highlights of ESG practice and performance systematically. At the same time, ESG elements have been applied into the daily management process of the Company to further strengthen the social responsibility and corporate image of the Company.

Low-carbon development to promote harmony between enterprise and environment

The Company fully responds to the national strategic plan for the green and low-carbon transformation of the economy and society, actively explores green development paths, establishes and improves the environmental management system, optimizes the transmission and distribution services of the natural gas sector to bring clean energy to end customers, gradually increases the renewal of new energy vehicles in the fields of urban transportation and logistics transportation, optimizes energy structure, improves energy use efficiency, continuously expands the environmental municipal industry to absorb all kinds of surrounding wastewater, insists on paying equal attention to environmental protection and high-quality development, and actively promotes the construction of a green and low-carbon manufacturing enterprise.

Improving corporate governance for high-quality development

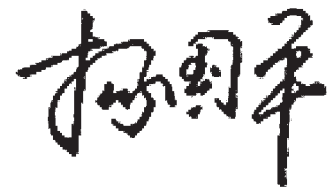
Under the guidance of the “14th Five Year Plan” strategic development plan, the Company has well defined the strategic positioning and direction, complied with laws and regulations such as Company Law of PRC, the Securities Law of PRC, the Code of Corporate Governance for Listed Companies and Articles of Association. It continues to improve the corporate governance structure, implement the internal control system, promote standardized, procedure-based and scientific management of the Company, improve the level of corporate operation and governance, and protect the rights and interests of investors

Concerted efforts to fight the Covid-19 with high sense of CSR for improving People's well-being

In the spring of 2022, Shanghai suffered the most severe COVID-19 resurgence. During the nearly 100 days of lockdown, the Company adhered to the corporate philosophy and action code of “providing united assistance to those in need”, and Dazhonger stuck to the post in the fields of gas supply guarantee, sewage treatment, logistics and distribution, personnel transfer, rent payment, tunnel passage, etc., serving the society with love at the cost of his personal life, and making unremitting efforts to contribute to the normal operation of the city and pandemic prevention and control.

At the end of the year, with the adjustment of epidemic prevention policies, Shanghai 120 first Aid Centre faced severe challenges. Dazhong Logistics replied to the call and gathered qualified employees to join the 120 first aid volunteer team to jointly protect the safety of the city and citizens. The Company substantially fulfilled social responsibilities and wrote another shining chapter for the public.

Facing with new challenges, Dazhonger need always uphold the entrepreneurial idea of serving the public and adhere to the development strategy of “simultaneous development of public utility and financial investment”. Dazhonger should constantly strengthen the ability to resist internal and external risks, shoulder the responsibilities, and walk steady to reach the distance, so as to achieve sustainable and healthy development of the Company.



Director:

March 30, 2023

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ABOUT DAZHONG PUBLIC UTILITIES

Shanghai Dazhong Public Utilities (Group) Co., Ltd. (“the Company”) was established on December 24, 1991, and it was renamed from Shanghai Pudong Dazhong Taxi Co., Ltd. (上海浦東大眾出租汽車股份有限公司). The Company is the first joint stock company in the taxi industry of China and the first listed company after the establishment of Pudong New Area. The shares of the Company were listed on the Shanghai Stock Exchange on March 4, 1993 (stock code: 600635.SH). On December 5, 2016, the shares of the Company were listed on the Main Board of the Hong Kong Stock Exchange (stock code: 1635.HK)

Business Sectors

The Company is principally engaged in public utilities and financial investment businesses. The public utilities include city gas, wastewater treatment, city transportation and logistics. The financial investment includes self-operated finance and venture capital businesses.

Public Utilities	
City gas	<p>The Company is mainly engaged in city gas business which is in the downstream demand side of natural gas, including residential and commercial gas. The scope of the Company’s gas business includes gas sales and pipeline construction and the business model is to procure gas from the upstream suppliers, sell the gas to end users through self-owned pipeline network, and also provide relevant distribution services. The Company’s subsidiaries Shanghai Dazhong Gas and Nantong Dazhong Gas are the sole supplier of piped natural gas in the South Puxi Area in Shanghai and Nantong, Jiangsu Province, respectively, with good reputation in Shanghai and the Yangtze River Delta. Shanghai Dazhong Gas owns a natural gas pipeline network of 6,867 km in length, with a daily gas supply capacity of 7.2 million cubic metres and more than 1.888 million household users; Nantong Dazhong Gas has a natural gas pipeline network of 2,900 km in length, with a daily gas supply capacity of 2 million cubic metres and 610,000 household users.</p>
Sewage treatment	<p>The sewage treatment business is one of the Company’s core businesses, which mainly engages in the investment, construction and operation of city domestic sewage and industrial wastewater treatment plants. Currently, there are 9 sewage treatment plants under the Company are operated by Dazhong Jiading Sewage and Jiangsu Dazhong.</p> <p>The Company conducts wastewater treatment business pursuant to the concession agreements entered into with local governments, and the local government pays fees in accordance with the approved unit prices. Currently, the Company operates 8 wastewater treatment plants in Shanghai and Jiangsu with a total capacity of 440,000 tons per day, in which Dazhong Jiading Sewage has realised a capacity of 175,000 tons of urban sewage per day, and the discharge standards have reached the class A+ of Shanghai’s highest level. Jiangsu Dazhong conducts operation mainly in Yunlong district, Jiawang district, Peixian, four districts and counties of Pizhou city, and together with Donghai county (Lianyungang Donghai county), Donghai Phase-II sewage treatment plants, with the total scale of 265,000 tons per day.</p>

City transportation	<p>The urban transportation service business mainly focuses on the comprehensive transportation, which is operated by the associate Dazhong Transportation (600611.SH). It primarily engages in the development of taxi operation, car rental and other market segments, and provides comprehensive transportation and ancillary services such as taxi and car rental, road passenger transportation service and tourism. At the end of 2022, Dazhong Transportation possessed 6,255 taxis and 3,304 rental cars, developing smart transportation via the “Dazhong Chuxing” (大眾出行) platform.</p> <p>The car rental business of Dazhong Transportation mainly includes long term and short term rental. Under the operation model, It purchases vehicles and licenses and provides external car rental services in an integrated way.</p>
Logistic transportation	<p>The Company’s subsidiary Dazhong Logistics conducts the logistics and transport business. Currently, the principal activities of Dazhong Logistics include lease for freight transport, relocation, supply chain and LPG delivery and others. Dazhong Logistics has a variety of management systems such as vehicle management system, intelligent dispatching system, operation management system and TMS system. Freight leasing and supply chain is the two business units that promote business development with vehicle renting as the principle business and the city distribution business as the auxiliary. Dazhong Logistics possesses the qualification of Dangerous Goods Transportation (Class II, Class III, Class IX) in Shanghai, and is the largest logistics company in the capacity of the third party licensed for LPG distribution in Shanghai. The LPG transport fleet covers 14 administrative regions.</p>

Financial Venture Capital	
Local financial service	<p>The financial service businesses of the Company, which are operated by wholly-owned or majority owned companies Dazhong Financial Leasing and Dazhong Commerce, are mainly engaged in financial leasing, pre-paid cards businesses etc. Dazhong Financial Leasing expands business based on the concept of “Consumer Finance and Platform Finance” and focuses on upgrading residential consumption of mobile phones, cars and 3C. It charges net spreads as a source of profit, with the major sources of income of interest, handling charges and commissions. The Company’s pre-paid card business of “Dazhong e-Card (大眾e通卡)” is committed to optimising the merchant structure, enriching the application scenarios of “Dazhong e-Payment (大眾e通付)”, improving the user experience, and enhancing the overall products independent control and market competitiveness.</p>
Venture capital business	<p>The Company’s venture capital business is conducted mainly through direct investment and equity participation in special-purpose funds, private funds and other channels, covering multiple fields, such as PE, merger and acquisition, and private placement in the security secondary market. There are four major venture capital platforms invested by the Company, which are Shenzhen Capital Group, Shanghai Huacan Equity Investment Fund Partnership (Limited Partnership)* (上海華璨股權投資基金合夥企業 (有限合夥)), Shanghai Xingye Venture Capital Co., Ltd.* (上海興燁創業投資有限公司) and Dacheng Huicai Fund.</p>

ANNUAL EVENTS AND AWARDS



January 2022
The corporate Governance Practice Report was selected as “Best Practice Case of Governance and Internal Control of Shanghai Listed Companies in 2021”



January 2022
Awarded Ge-1 green enterprise level by Zhongcheng Lvjin Technology (Beijing) Co., Ltd.



April 2022
Mr. Yang Guoping, was awarded the 17th “Golden Round Table Award” - “Entrepreneurship Award”



April 2022
17th Board of Directors of Chinese Listed Company “Golden Round Table Award” - “Corporate Governance Special Contribution Award”

The credit of Dazhong Public Utilities was rated at AAA again in April 2022

感谢信

上海大众公用事业（集团）股份有限公司：

三月以来，由新冠病毒奥密克戎变异株引发的新一轮疫情突袭申城，使上海这座特大型城市面临极为严峻的考验。为全力保障上海燃气安全稳定供应，上海百商特能发展集团有限公司响应市册号召，克服困难，积极应对，力保广大液化燃气用户的用气需求。然而暴雨绵绵连夜雨，尽管落实了严格的防疫措施，3月底，百斯特浦东区域的个别员工不幸感染病毒。根据政府疫情防控相关要求，我们及时采取了暂停现场生产、隔离感染及密接人员等办法。由于本市正处于封闭管理阶段，从业人员一时得不到有效补充，由此造成液化气层务供应局部脱节，仅一周就有超过4000个用户订单未及配送，形势紧急！

在这紧急时刻，贵集团下属上海大众运行物流有限公司等单位及时伸出援助之手。他们在浦东新区管理部门的指导下，顾全大局、不畏艰难、挺身而出、全力驰援。4月11日起，大众物流等公司派出专业配送车辆和精兵强将，不顾感染风险和高温天气，全力帮助我们百商特能公司，经过连续三天的奋战，公司前期积压的工单得到及时处理，我司液化气的供需矛盾得以及时缓解。我们了解到，大众物流公司作为一家液化气专业配送单位，近期自身也存在防疫压力大、员工被围、车辆受管制等一系列问题和困难。在同行遭遇困境的时刻，大众物流公司充分展现出站位高、善打硬仗的大公司形象。在此，向贵集团及下属大众运行物流公司表示衷心的感谢！

风雨之后见彩虹，春暖花开终有时。我们坚信，在党中央、市委市府坚强领导下，我们一定能共克时艰、渡过难关，早日赶走“瘟神”，胜利必将属于我们！

上海百商特能发展有限公司
2022年4月15日

April 2022
Received appreciation letter from Best Energy



April 2022
Received appreciation letter from Shanghai Overseas Chinese Foundation



May 2022
2022 medium-term notes (1st tranche) were successfully issued



July 2022
Selected as the classic case of 2021 financial market



August 2022

The Company again ranked in the top 100 enterprises of Shanghai in 2022. It was ranked as “No.66 in 2022 Shanghai top 100 service enterprises”, “No.66 in 2022 Shanghai top 100 private enterprises”, and “No.37 in 2022 Shanghai top 100 private service enterprises”



December 2022

Won the “Jinge Award” by Glonghui- “Annual Social Responsibility Award” at the Outstanding Listed Companies in Greater China.



December 2022

Won the “Best Practice of Board of Directors of 2022 Listed Companies”

RESPONSIBILITY MANAGEMENT

Statement of Board of Directors

The ESG supervisory responsibility of the board	The Board of directors is responsible for supervision, guidance and review of public ESG related matters.
ESG risk management	In order to effectively prevent and control ESG-related risks of the Group and its subsidiaries, the Board of directors strictly supervises the formulation of relevant risk management systems in the daily operation process, and incorporates ESG-related risks into the ESG risk identification, evaluation and management process.
Objectives, targets and review progress	Dazhong Public Utilities and its subsidiaries set up ESG-related targets, such as new energy vehicle launch, resource conservation and safety management, and regularly review the completion of the targets.

Communication with Stakeholders

Dazhong Public Utilities builds an effective communication channel for stakeholders and promote the understanding of the demands and expectations of internal and external stakeholders such as government and regulatory authorities, employees, investors, customers/consumers, suppliers/business partners, media and the local community.

– *The Communication Channels and Contents among Stakeholders of the Company*

Stakeholders	Expectation and demand	Communication Channels and Responses
Investors/Shareholders	<ul style="list-style-type: none"> • Effective corporate governance mechanism • Standard information disclosure • Smooth communication channels • Implemented risk management • Strengthened investment and financing management 	<ul style="list-style-type: none"> • Shareholders meeting • Report and announcement • Interactive platform • Communication activities
Clients/Customers	<ul style="list-style-type: none"> • Customer communication and services • Customer privacy protection 	<ul style="list-style-type: none"> • Customer satisfaction survey • Social media • Email/Phone • Regular visits

Stakeholders	Expectation and demand	Communication Channels and Responses
Staff	<ul style="list-style-type: none"> • Staff entitlement and care • Staff training and development • Staff health and safety 	<ul style="list-style-type: none"> • Staff training • Staff activities • Democratic two-way communication channel
Government and supervisory department	<ul style="list-style-type: none"> • Compliance operation and risk control management • Tackle climate change • Reduction of greenhouse gas emissions • Assistance in epidemic prevention and control 	<ul style="list-style-type: none"> • Daily communications • Meetings • Information distribution • Supervision and inspection
Supplier/Business Partner	<ul style="list-style-type: none"> • Supply chain/value chain management 	<ul style="list-style-type: none"> • Fair procurement • Honest cooperation
Media and social community	<ul style="list-style-type: none"> • Volunteer activities • Community relationship building • Public charity 	<ul style="list-style-type: none"> • Regular news release • Multi-channel communication • Conduct and participate social activities

Substantive Topics Analysis

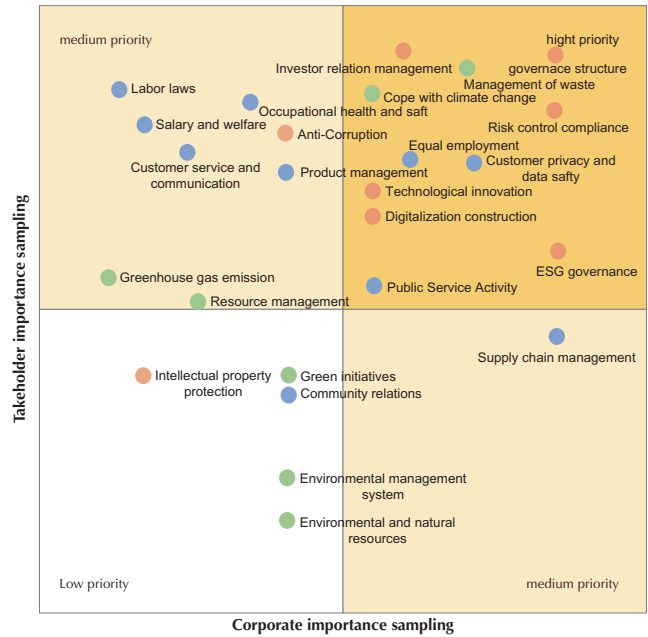
Based on the two dimensions of “importance to stakeholders” and “importance to the Company”, Dazhong Public Utilities could comprehensively understand the opinions and expectations of all stakeholders through the electronic questionnaires sent to management and external stakeholders of the Company, and evaluates and ranks the subjects.

– *Decision Procedures in Material Topics*

Identification	By referring to the core indicators of domestic and international ESG reporting guidelines, such as GRI’s Guide to Sustainable Development Reporting and the HKEX’s index of Environmental, Social and Governance Reporting Guide, and taking into account national policies and industry characteristics, 26 key issues of ESG are identified.
Evaluation	Conduct the survey of stakeholder issue in the form of online questionnaire, carry out a systematic quantitative analysis based on the survey results, and rank the issues according to the degree of concern, to determine the importance of the issues to the Company and stakeholders.

- **Matrix Diagram of Material Topics**

The Company forms the importance matrix according to the decision outcomes of importance issues. This report will determine the degree of disclosure quality of each topic according to the importance.





Walk Steady to Reach the Distance All Kinds of Merits Are Flourishing

Under the guidance of the “14th Five-Year Plan”, Dazhong Public Utilities has clarified its strategic positioning and orientation, standardized corporate governance, adhered to the construction of Party conduct and clean government, implemented a number of measures to promote compliance management, continued to improve the overall risk management system, protected rights and interests investors, strengthened information management, promoted scientific and technological empowerment, continued exploration, and integrated into the development in the new era.

1.1 STRATEGIC PLANNING

The year 2022 was the 31st anniversary of the establishment of Dazhong Public Utilities and the 29th anniversary of its listing. It is a key year for the implementation of the Company's "14th Five Year Plan" strategy. In order to adapt to changes in the external environment and cope with new market challenges, the Group adheres to its development strategy and formulates its overall development plan and strategies for each business segment based on changes in the macroeconomic. At the same time, the Company will actively expand the industrial layout, continuously optimise the income structure, further identify the development strategy direction, objectives, tasks and measures, and lay a solid foundation for the Group to open a new round of rapid development

– Development strategy of the Group

The Company will thoroughly study and implement the spirit of the 20th National Congress of the CPC and target high-quality development, and it will continue to adhere to the development strategy of "simultaneous development of public utility and financial investment". Based on its actual situation, the Company focus in Shanghai, and radiate the Yangtze River Delta, based on the public utility business and keep stable operation. Meanwhile, the Company focuses on strengthening the abilities of centralised information-based management and control, continuously improve the corporate governance structure and corporate internal governance capabilities, and constantly improves the performance appraisal mechanism of all subsidiaries and functional departments, so as to ensure the stable development of the Company's business

– Development Plan of Each Business Sector

Public Utilities

• City Gas:	The Company continuously improved user service experience, promoted the construction of market projects in an orderly manner, seized the opportunities of urban development, actively responded to local policies to promote energy cooperation and business model innovation, improved service level and management efficiency, accelerated the pace of enterprise transformation and upgrading, and boosted the high-quality development of main business.
• Sewage Treatment:	Treatment: Carry out intelligent management, Scientific equipment maintenance through scientific and technological means, Ensure the service life of the equipment, Reduce operating costs, Improve quality and increase efficiency; Actively expand high-quality projects in developed regions, Seek breakthroughs in upstream and downstream fields, Improve the comprehensive operation capability of enterprises.

<ul style="list-style-type: none"> • Urban Transportation: 	<p>The Company actively expanded high-quality projects in developed areas, sought breakthroughs in upstream and downstream fields, and enhanced its comprehensive operational capabilities. The Company also made active attempts at the integration of the traditional taxi industry and the Internet, combined the functions of the APP “Dazhong Chuxing” and the “96822” service hotline, deepened the integration and optimal allocation of resources around the two key tasks of “platform operation” and “crossover marketing”, explored the online and offline integration of “all-staff marketing”, seized the market opportunities brought by the domestic economic recovery and the construction of five “new cities” in Shanghai, and employed digital technology to promote the Company’s transformation into an integrated transportation service provider.</p>
<ul style="list-style-type: none"> • Logistics: 	<p>To explore the field of new energy logistics vehicles. To increase business reserves and the distribution of oxygen and nitrogen cylinders on the basis of the current business, laying a solid foundation for business expansion.</p>

Financial Venture Capital

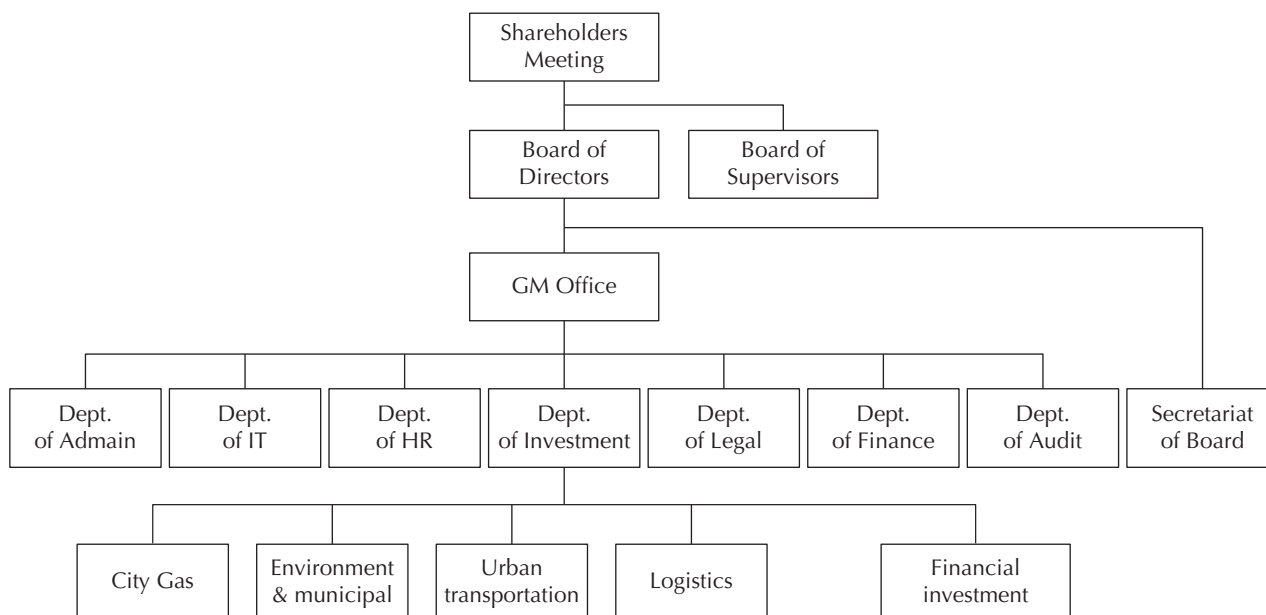
<ul style="list-style-type: none"> • Local financial service: 	<p>To develop trade, factoring, investment and other businesses with the help of stable operation and shareholders. To promote the transformation of the “technology driven, micro decentralized” consumer finance model through model exploration with the financial technology platform. To compete in market segments by taking the path of differentiated or cooperative competition. To build high-quality enterprises with strong profitability and high asset quality by improving the ability to identify risks through the way of specialization and informationization.</p>
<ul style="list-style-type: none"> • Venture capital business: 	<p>Focus on investment risk control and profitability improvement and the management of promotion and exit of existing project. To improve the efficiency of investment funds, and strive to create stable investment returns.</p>

1.2 GOVERNANCE MECHANISM

Dazhong Public Utilities strictly complies with the relevant laws and regulations of China Securities Regulatory Commission, Shanghai Stock Exchange, Hong Kong Stock Exchange, and the Articles of Association, such as the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Code of Governance for Listed Companies, etc., The corporate governance structure is constantly optimised to enhance operational capabilities, and the internal control system is improved to push forward the standardisation of the Company.

– Governance Structure

The Company has formed a governance mechanism with clear authorities and responsibilities and checks and balances as well as an effective internal control mechanism in compliance with the requirements of listed companies, and is operated strictly in accordance with the legislation. In 2022, the Company strictly complied with the regulatory requirements of two listing places, continued to improve the corporate governance structure and operation level. It also continued to promote the standardised and procedural management by improving the internal control system to enhance the corporate governance level, strengthen information disclosure, and effectively protect the interests of the Company and all shareholders.



– **General Meeting**

As the highest authority of the group, the establishment and operation of the general meeting strictly abide by the Articles of Association. All shareholders, especially minority shareholders, be granted equal status. They are able to effectively exercise the right to know, to participate, to question and to vote. In 2022, the Company held an annual general meeting with a combination of live and video conferences.



– **Board Governance**

The Board of directors adheres to the sustainable development strategy, carries out its work in strict accordance with the laws and regulations of China Securities Regulatory Commission and the Exchange market, and effectively promotes the standardised operation and scientific decision-making of the Board. In 2022, the number of independent directors increased from 3 to 4 while the total number of 9 remained same.

In 2022, the Company held six Board of Directors meetings, seven Audit Committee meetings, one nominating committee meeting, one compensation and Appraisal Committee meeting, and one Strategic Development Committee meeting.

– **Governance of Supervisor Board**

The Group's Supervisor Board consists of three supervisors, including one employee supervisor, elected by the employee congress. The members of the Supervisor Board, with a responsible attitude towards all shareholders, earnestly perform their duties and supervise the financial situation of the Company and the legality and compliance of the directors and senior management performance. The Company held 5 meetings of Supervisor Board.

1.3 COMPLIANCE AND INTERNAL CONTROL

Compliance risk control management is the lifeline for the stable operation of listed companies. Dazhong Public Utilities adheres to the bottom line of compliance, develops and implements multiple compliance systems, establishes a comprehensive risk management system, continuously strengthens risk identification and disposal mechanisms, and strictly implements integrity governance.

– Adhere to the Bottom Line of Compliance Management

The Company has formulated Basic Framework System of Internal Control, Administrative Regulations of Internal Audit, Administrative Regulations of Internal Control Evaluation and other compliant regulations. It sets up a law-abiding, equity and justice internal environment, regularly track the rectification of internal control defects, and investigate the responsibilities of relevant responsible units or persons for major defects found in internal supervision.

The Company has built Anti-Money Laundering and Anti-Terrorist Financing Management System, Anti-Money Laundering Work Mechanism, Anti-Money Laundering Job Evaluation System, Payment Risks Management System of Prepaid Card, Self-Evaluation System of Money Laundering and Terrorist Financing, Large - amount and Suspicious Transaction Identification and Reporting and other anti-money laundering mechanism, to conduct anti-money laundering managerial measures.

In 2022, the Company conducted two internal control system themed training sessions for employees, covering areas such as the anti-money laundering work mechanism, payment risks management system of prepaid card, and customer service operation business processes. The training hours were 6 in total and person-times.

Training topic	Training date	Attendances	Training hours
Internal Control System (anti-money laundering work mechanism, payment risks management system of prepaid card, customer service operation business processes)	2022.7.11	12	3
Internal Control System (personal financial information protection system, anti-money laundering case)	2022.12.21	12	3

Case: The Company invited legal experts to conduct compliance training

The Company invited legal experts from Shanghai AllBright Law Offices to conduct compliance training with the theme of “Criminal compliance of Listed Companies and punishment and prevention of common crimes”, explaining the concept of criminal compliance, highlighting the necessity of criminal compliance of listed companies by analysing related legal events, and proposing specific measures for criminal compliance.



– **Overall Risk Management**

Dazhong Public Utilities issued the Total Risk Management System to clarify the organizational structure, basic requirements, risk identification and evaluation, risk monitoring, inspection and response, and risk emergency treatment, risk reporting and disposal, risk management evaluation and other contents.

The Company has established a four-tier vertical risk management structure, which consists of the board of directors and its audit committee, the management and the chief risk control officer, the risk control group under the leadership of the chief risk control officer, and the chief supervisor or executive supervisor of the departments and subsidiaries that perform risk management related functions.

In 2022, the Company will continue to formulate and improve efficient risk identification and response mechanism and risk reporting and disposal mechanism, strengthen risk identification, evaluation, monitoring and treatment, implement internal control risk reporting mechanism, carry out risk information communication mechanism, and strengthen risk modification and feedback of subsidiaries.

– **To Promote the Incorruptible Governance**

The Group has formulated the Incorruptible Employment Management System, Integrity Management System of Dazhong Public Utilities, as well as the Anti-Fraud Implementation Rules. The integrity governance has been effective, and there have been no negative incorruptible incidents in the past three years. In 2022, the Group and its subsidiaries conducted various education activities for incorruptible governance construction.

Case: “5•10” Honest Day of Nantong Dazhong Gas

On the afternoon of May 18th, 2022, Nantong Dazhong Gas organized the theme activities of “5•10” Honest Day. During the activity, participants watched the awareness-rising feature film Resolutely Remove the Stumbling Barrier on the New Journey and attended the special party class titled Shouldering the Heavy Responsibility of Gas Development with Honesty, Diligence, and Responsibility by Party Secretary and General Manager Ke Pinjian of the Company, which further stimulated the broad party members and cadres to enhance their ideological consciousness and action consciousness of honest service, honest use of power, honest self-cultivation and honest family, and provided strong discipline guarantee for promoting the high-quality development of the Company.



Case: Nantong Dazhong Gas Campaign Month of “Upholding A Clean Government”

The Company organized an in-depth study of the fourth volume of Xi Jinping: The Governance of China and the Awareness Campaign Month of “Upholding A Clean Government”. At the meeting, the Party Secretary and General Manager Ke Pinjian gave a special party class titled Anti-corruption Struggle Should Be Started from Politics. After the special party class, the Party Committee of the Company organized a mini lecture competition on honesty. The activity further strengthened the party spirit education of the broad party members and cadres in the Company, actively promoted the construction of clean government culture in the Company, and improved the honesty awareness of every party member and cadre.



1.4 INVESTOR RELATIONSHIP

Dazhong Public Utilities attaches great importance to investor relationship management. The Company has conducted effective communication with investors through various forms and channels, adhered to the implementation of investor responsibilities, and disclosed the production and operation information in a complete and timely manner in accordance with laws and regulations to safeguard investors' rights and interests.

– **Communication with Investors**

Dazhong Public Utilities has formulated Investor Relationship Management Regulations, to build up a smooth communication channel with investors. The Group maintains communication with investors through investor hotlines, "SSE E-Interaction" on the Shanghai Stock Exchange, and reception of visits. During the reporting period, the Company participated in the 2021 full-year and 2022 first quarter Performance Roadshow, 2022 Shanghai-based Listed Companies Collective Reception Day of Investors and other online activities to convey its confidence in the future sustainable development and the realisation of strategic planning goals directly to the investors, effectively helping investors know more about the Company and maintain the relationship between the two.

– **Investor Responsibility**

Dazhong Public Utilities attaches great importance to the investor relationship management. In terms of shareholder responsibility, the Group actively rewards investors with a scientific, sustained, and stable dividend decision-making and monitoring mechanism, and has distributed dividends to shareholders in the form of cash and stock dividends for a total of RMB3.472 billion Yuan over the years. In 2022, the Company's credit grade was rated at AAA by Zhongchengxin International Credit Rating Co., Ltd., and the outlook on the ratings is stable.

– **Information Disclosure**

Dazhong Public Utilities strictly implements the requirements of the Administrative Measures for the Disclosure of Information of Listed Companies and the Insiders Registration Management Policy formulated by the Company, registering and managing insiders and users of internal information, and ensuring the legality and fairness of information disclosure. During the reporting period, there was no illegal trading of the Company's shares by insiders.

The designated newspapers for information disclosure of the Company include China Securities News, Shanghai Securities News and Securities Times, and the designated websites for disclosure are the websites of Shanghai Stock Exchange and Hong Kong Stock Exchange. In 2022, the Company periodically disclosed the operating financial data to investors and stakeholders, and fully disclosed the reports to be reviewed by the shareholders meeting.

1.5 INFORMATIZATION CONSTRUCTION

Strengthening informatization construction is an important part of the Company's development strategy. Dazhong Public Utilities continues to increase the correlation between informatization and business operations, gives full play to the role of informatization system in management innovation, efficiency improvement, internal control and scientific decision-making, and provide full support for various operations and management.

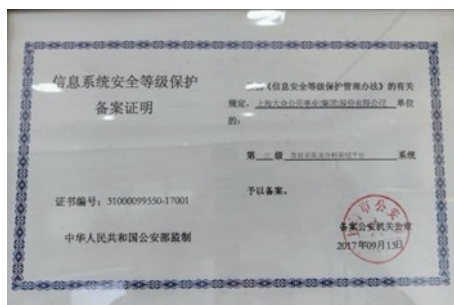
– Informatization empowerment

According to the development strategy and the actual production situation, Dazhong Public Utilities issued Regulations on the Administration of Network and Information Security to standardize the investment and construction management procedures of network security, and ensure the scientific, prospective, rational and legal compliance of network and information security.

The Group established a vertical network security and information management organizational structure. At the headquarters level of the Group, the leading group for network security and informatization is the highest leading body, with the president of the Group as the team leader and a working group under it to undertake daily affairs. At the level of affiliated companies, secondary subsidiaries assign leaders to take charge of network security and informatization, as well as informatization professional departments or full-time informatization contacts, while tertiary project companies arrange full-time or part-time informatization liaison persons of tertiary units. At the same time, to improve the integration of business and informatization, informatization specialists are set up in the responsible departments of each group's common management system as a bridge between business and informatization.

– Information security management

As guided by the "Cyber security Law of the People's Republic of China", "the Computer Information Security Protection System Regulations of the People's Republic of China", "Regulations of Classified Protection of Information Security", the Company has established the information security strategy, system and standard, determined the information security baseline, built a consolidated information security guarantee system framework, carried out regular information security supervision and inspection, and cooperated with the audit Department to carry out information security audit. The Group's data acquisition and analysis platform was awarded the level III information system security protection certification.





Green Development is Well Deserve

The Company replied to the “double carbon” target positively, actively explore green development path, and resolutely fulfil the responsibility of environmental protection. It has continuously improved the awareness of climate risks, enhanced the capacity in tackling climate change, established an environmental management system, optimized the efficiency of resource utilization, and taken multiple measures to manage pollutant discharge. Green actions have also been taken to continuously promote sustainable development.

2.1 TACKLE CLIMATE CHANGE

It is time to tackle climate change. The Company pays close attention to matters related to climate change, referring to the Task Force on Climate-related Financial Disclosure (TCFD) Proposal, continues to improve the climate change governance, strategy, risk management, indicators and target management of climate change, actively prevent and resist climate risks, and improve the ability to adapt to climate change.

– Climate Risks and Countermeasures

Dazhong Public Utilities positively identify climate change-related risks, and take the initiative to develop countermeasures against the risks brought by climate change to mitigate the negative impact on the business operations.

List of climate change risks

Risk type		Risk description	Counter measures
Transition Risk	Political and legal risk	Under the goal of carbon peak and carbon neutral policies, the requirements are stricter for carbon emission management.	Eliminate out dated high-carbon emission equipment, take measures to save energy and reduce consumption, strengthen energy management efforts and reply to the “double carbon” goal.
	Technical risk	In order to mitigate climate change and gradually transition to new energy business, such as purchasing new energy vehicles, considering the utilization of electric gas (hydrogen energy regeneration technology), hydrogen energy storage and transportation costs are under great pressure.	To strengthen research and development and investment in low-carbon technologies, and create and improve new operation ecology and models based on mature experience.

Risk type		Risk description	Counter measures
Transition Risk	Market risk	Clients prefer to cooperate with companies with low-carbon operation, which increases the demand for clean energy and decreases the sales of gas.	To transform to cleaner energy suppliers in a positive way.
	Reputation Risk	The public and media are paying more attention to the impact of climate change on business activities. The performance of the Company may not meet expectations, cost may increase, and income may decrease.	The Group and its subsidiaries analyze, evaluate and properly deal with the public news monitored in a timely manner, and communicate with the media in a positive way.
Physical Risk	Acute risk	The frequency and severity of extreme weather events are gradually increasing, leading to the disruption of production and operation activities.	The Company has formulated the Emergency Plan for Work Safety Accidents and Emergency Plan for Nature Gas Supply, made emergency plans for flood control and typhoon resistance, rain and snow freezing disasters, and conducted measures in case the gas supply cannot be met due to lightning strikes, rainstorms, typhoons and other accidents.
			The Special Emergency Plan for Natural Disasters, which is set up to prevent and mitigate the damage caused by natural disasters (earthquake, severe convection weather, rainstorm, heavy snow, typhoon, etc.) on the gas facilities, can be used to guarantee the operation business of the Company.

Risk type		Risk description	Counter measures
Physical Risk	Chronic risk	As the average temperature increases, the high temperature makes it difficult for employees to work better, and additional refrigeration, heat insulation, ventilation and other equipment needs to be turned on, which increases the operating cost.	The High-temperature operation control and management has been made to minimize the negative impact of hot weather on employee production operation by adopting measures such as heat insulation, ventilation, supply of cool drinks and anti-heat drugs.

– **Climatic Opportunities**

Dazhong Public Utilities actively tackle climate change, identify climate opportunities, and promote low-carbon transformation.

Opportunity List of Climate Change

Opportunity Type	Opportunity Description
Resource Efficiency	Improving resource and energy efficiency and reducing operating costs.
Energy Source	Natural gas, the cleanest fossil fuel, is likely to lead an increase in supply and income.
Service and Product	The creation and development of cleaner products and services may be favoured by customers and lead to an increase in income.
Market	Actively expand new business sectors, better adapt to and meet the needs of customers and the market, revenue may increase.
Adaptability	It is likely to avoid or reduce risks and losses through climate-related risk management.

2.2 ENVIRONMENTAL MANAGEMENT SYSTEM

The Company continues to establish and improve environmental management system, build solid environmental regulatory regime, implement construction of environmental management organizations, strengthen the environmental responsibilities of each subject, and guide the productive work of environmental management.

– **The Construction of Environmental Management Organization**

Good environmental management performance is inseparable from the organizational structure with clear division of rights and responsibilities. The Company and its subsidiaries continue to improve the organizational structure of environmental management and enhance their own environmental management capabilities.

The subsidiaries of the Company has established energy conservation management system, implemented the responsibility system, set up a leading group and part-time posts for energy conservation and emission reduction, and taken the responsibilities for the overall management and supervision of energy conservation. The daily activities include organizing the formulation and implementation of energy conservation planning, energy conservation technology renovation and technology breakthrough plan, annual energy conservation plan, review and assessment of implementation, and organizing and formulation of energy-saving publicity, education and training plans.

According to the requirements of the Group, Jiangsu Dazhong established Environmental Governance Committee and working group. Under the leadership of the committee, the working group carries out the daily work of environmental governance according to law and regulations, including studying and formulating the annual objectives and measures of environmental governance, establishing and improving the environmental management system, conducting regular inspections and assessments of environmental governance, carrying out research on strengthening and optimizing environmental governance, and formulating emergency mechanisms and relevant plans for environmental governance, etc. The Company implements the legal responsibilities of environmental governance under the reinforced leadership of the committee.

– **Environmental management system certification**

The company actively improves the construction of environmental management system, Promote the continuous and effective operation of the environmental management system, Improve operation management capabilities. In 2022, Jiangsu DaZhong obtained ISO 14001:2015 environmental management system certification.



Jiangsu DaZhong obtained the environmental management system certification

2.3 RESOURCE UTILIZATION

Dazhong Public Utilities manages the use of various resources through reducing the waste, carrying out the work of resource saving and recycling, and improving the utilization efficiency, in order to build a resource-saving and environment-friendly enterprise.

– Energy Management

The Company continues to enhance energy conservation management, committed to improving utilization conversion efficiency, reduce energy consumption. The Employee Handbook defines the environmental awareness and code of conduct, standardizes the energy use behaviours, and stipulates that employees should turn off lights, computers, air conditioners and other power-consuming equipment after work. In 2022, the total comprehensive energy consumption is 14,729.80 tons of standard coal.

Energy Management Performance of the Company

Index	Unit	Number in 2020	Number in 2021	Number in 2022
Comprehensive energy consumption	tons of standard coal	/	2,089,803.89	13,936.49
Nature gas	Standard cubic metre	1,039,800	1,022,900	1,028,290
Gasoline	Liter	65,534,600	44,953,200	211,926.84
Diesel oil	Liter	6,492,000	6,748,700	53,031.54
Purchased electricity power	kwh	/	/	61,336,336.50

Note: Due to different statistical caliber of data, there are certain differences in energy consumption data in three years. The statistical calibre of nature gas includes headquarter of the Group, Nantong Dazhong Gas, Dazhong Jiading Sewage. The statistical calibre of gasoline and diesel oil includes Shanghai Dazhong Gas, Dazhong Jiading Sewage and Jiangsu Dazhong. The statistical calibre of purchased power includes headquarter of the Group, Nantong Dazhong Gas, Dazhong Jiading Sewage and Jiangsu Dazhong.

The Company has formulated the Management System for Energy Conservation and Emission Reduction, the Regulations for Energy Conservation and Management, the Energy Management System, etc., to continuously strengthen the management of use of electricity and fuel. It also put forward control and management requirements against the use of lighting, air conditioning, computers and other equipment, including the use of energy-saving lamps, air conditioning temperature limit settings, etc. At the same time, the use of new energy-saving products, new technologies and new facilities are expanded, in order to strengthen energy conservation publicity and education continuously.

Dazhong Jiading Energy Saving Requirements

Strengthen Power Management	<ul style="list-style-type: none"> • To set the air conditioner temperature appropriately, turnoff air conditioner during non-working hours and holidays, and advocate using air conditioner one hour less every day. To clean the air conditioning system regularly to improve the energy efficiency; • Computers, printers, fax machines, photocopies and other equipment can be open as you need, or the automatic energy-saving state is set, turn off all kinds of electrical power supply after work.
Strengthen Gas-fired boiler operation management	<ul style="list-style-type: none"> • Strengthen the inspection of boiler equipment, maintain the boiler regularly, ensure the good working condition of the boiler burner, and improve the combustion efficiency.
Strengthen fuel management	<ul style="list-style-type: none"> • To control the addition of new vehicles, improve the management system for office vehicles, raise the vehicle operation efficiency, reduce unnecessary driving times of official vehicles; • Reasonably define the service life of vehicles, and timely scrap and eliminate environmentally unfriendly vehicles with high fuel consumption.
Promote the use of energy-saving product and technology	<ul style="list-style-type: none"> • To apply new energy-saving technologies, give priority to the purchase of energy-saving products and materials, shut down high energy consumption equipment and prohibited products, actively promote the use of energy-saving water valves, energy-saving lamps and new materials, and promote the work of saving renovation and replacement of high energy consuming equipment.

– **Water management**

The Company has established and implemented the management system for saving water, continued to strengthen the consciousness of saving water and water management, increased the transformation of water-saving appliances, promoted the use of water-saving devices, strengthened the daily maintenance and management of water equipment, and save every drop of water.



Dazhong Jiading Sewage implement reclaimed water reuse

Dazhong Public Utilities sticks to the priority of water conservation, set water conservation goals, and promote the implementation of water conservation actions. Dazhong Transportation has incorporated energy and water saving into the three-system management, ensuring that the implementation rate of energy and water saving training plan is 100%, and the implementation rate of laws and regulations on energy and water saving is 100%. Besides, the Company has set the goal of saving water-the water fee decrease by 3% annually. In 2022, the fresh water savings amount was 7.03 million litres, and the total amount of water resources recycled was 699.95 million litres.

Water Resource Management Performance of the Company

Index	Unit	Number in 2020	Number in 2021	Number in 2022
Total water consumption	Million litres	6,946	6,825	806.32

*Note: Due to different statistical contents of data, There are some discrepancies in the total 3 year data on water consumption. The statistical contents of 2022 data includes headquarter of the Group, Nantong Dazhong Gas, Dazhong Jiading Sewage, Jiangsu Dazhong.

– **Office supply management**

Dazhong Public Utilities and its subsidiaries advocate paperless office and double-sided printing, strictly authorize the number of documents issued and printed, lead employees to make full use of the established office automation system such as OA system and network transmission, and reduce the frequency of use of printing and fax.

2.4 EMISSIONS MANAGEMENT

Dazhong Public Utilities pays close attention to emissions management. For the emissions of greenhouse gas, waste gas, waste water, waste material and noise, the Company has clearly defined management system, improved management process, adopted emission reduction measures, in order to minimize the amount of pollutants and the negative impact on the environment.

– Greenhouse Gas Management

The Company actively adopts measures to reduce greenhouse gas emission in order to reduce greenhouse emissions. Dazhong Jiading sewage has carried out greenhouse gas emission accounting for three consecutive years.

Greenhouse Gas Management Performance of the Company

Index	Unit	Number in 2020	Number in 2021	Number in 2022
Total greenhouse gas emissions	Tons carbon equivalent	2,144,966.06	435,065.00	30,461.39
Direct greenhouse gas emissions (scope I)	Tons carbon equivalent	161,841.91	205,597.97	2,915.00
Indirect greenhouse gas emissions (scope II)	Tons carbon equivalent	1,983,124.15	229,467.03	27,546.39

*Note: Due to different statistical contents of data, There are some differences in the total 3 year GHG emissions, Scope 1 and Scope 2 data. The statistical contents of 2022 data includes headquarter of the Group, Nantong Dazhong Gas, Dazhong Jiading Sewage, Jiangsu Dazhong.

– Waste Gas Management

In the process of pipe network construction, dust-control water spraying machines were utilized by the subsidiary gas company of the Company throughout the earthwork construction operation and the earthwork was covered with 6-needle dust-proof nets. Dust management was strictly conducted in accordance with Article 13 of the Administrative Measures for Prevention and Control of Dust Pollution of Shanghai and the Regulations on the Administration of Civilized Construction of Construction Projects of Shanghai.

Dazhong Jiading reformed the deodorant equipment in the pre-process treatment area with high odor concentration to improve the effect of odor treatment and reduce air pollution. In addition, the low-nitrogen transformation of gas burners of the hot water boilers was completed, and three gas-fired pressure hot water boilers were equipped with ultra-low-nitrogen burners to ensure their safe, energy-saving, and environment-friendly operation. The nitrogen oxide emission concentration of the reformed boilers was lower than 30mg/m³.

– **Waste Water Management**

Dazhong Public Utilities takes effective control of the discharge of domestic wastewater to ensure the compliance with the industrial park and national standards and reduces the negative impacts on environmental.

Jiangsu Dazhong formulated the Wastewater Management Measures to promote water conservation and reduce the generation of domestic sewage. The Company strictly prohibits pouring residual edible oil, leftovers, and vegetable residues into various sewers and prohibits placing and dumping various chemicals, hazardous wastes, oil products, and other pollutants adjacent to the sanitary sewage pipe openings. Meanwhile, tableware is washed with phosphorus-free detergent as much as possible, and wastewater is discharged into the sewage pipe network of the park through pipelines after primary treatment in the oil separator.



Waste Water Management Performance of the Company

Index	Unit	Number in 2020	Number in 2021	Number in 2022
Total waste water emissions	Metric ton	19,330.00	6,828.76	95,735.54

*Note: Due to different statistical contents of data, There are some discrepancies in the total wastewater discharge data for 3 years. The statistical contents of 2022 data includes headquarter of the Group, Nantong Dazhong Gas, Dazhong Jiading Sewage, Jiangsu Dazhong.

– **Waste Management**

The waste generated by Dazhong Public Utilities is mainly general solid waste and domestic garbage generated in daily office and business activities. In strict accordance with the requirements of environmental protection laws, regulations, and standards, we have defined the collection and treatment methods of various wastes, and realized the resource-based, harmless, and reduced treatment of various wastes, thus achieving the purpose of resource conservation and environmental pollution reduction.

The Group carried out centralized removal of hazardous solid wastes such as waste ink cartridges and toner cartridges, as well as recyclable wastes generated in office and life, such as paper, cartons, and other wastes without oil, and contacted relevant units or environmental protection departments for treatment. In addition, the Group allocated dry and wet separation garbage bins in strict accordance with garbage classification regulations, and put, stored, and transported garbage in different categories.

Dazhong Jiading and Jiangsu Dazhong have formulated the General Solid Waste Management Standard and the Hazardous Waste Management Standard, etc., clarified the standards of waste classification, collection and storage, treatment and disposal, and record management, and strengthened the treatment and management of dewatered sludge in urban sewage treatment plants. The treated sludge is sent to power plants for blending as fuel for power generation. In addition, the practice of “trade-in” is implemented for waste ink cartridges produced in the office area, and designated stationery suppliers shall take away the waste ink cartridges while installing new ones. In 2022, the Company’s general comprehensive utilization of solid waste amounted to 47,154.17 tons.

Dazhong Taxi and Car Leasing have formulated the Regulations on the Management of Solid Waste, followed the principle of “classified collection, comprehensive utilization, and reasonable disposal”, set up two different garbage containers for recyclable waste and non-recyclable waste, regularly contacted qualified organizations to recycle and treat hazardous waste, improved awareness of employees, and strengthened publicity on garbage classification in daily life to ensure effective treatment of office waste and domestic waste.

Waste Management Performance of the Company

Index	Unit	Number in 2020	Number in 2021	Number in 2022
Comprehensive utilization				
of general solid wastes	Metric ton	56,207.42	47,766.50	47,461.93
Municipal solid waste	Metric ton	17.883	17.64	8.38
Office trash	Metric ton	10.75	15.7	23.26
Sewage sludge and others	Metric ton	55,782.01	47,661.41	47,416.45
Comprehensive production of hazardous wastes	Metric ton	/	6.92	6.92

Note: The statistical contents includes Dazhong Jiading Sewage, Jiangsu Dazhong.

2.5 GREEN ACTIONS AND PRACTICES

With the development of environmental municipal, city transportation, financial venture capital, financial leasing and other business sectors, Dazhong Public utilities has adopted a proactive approach to formulate green development goals, explored the use of new energy vehicles in business, conducted many green actions and practices, and energized green development for green future.

– Improve Sewage Treatment Capacity

The sewage treatment plants of the Company continuously optimizes the sewage business processing capacity, constantly improves the sewage treatment process in the aspects of technology and treatment capacity.

Jiangsu Dazhong continues to strengthen the ability of process control, strictly manage emissions, and has established the bottom line consciousness of stable up-to-standard discharge. In 2022, the total investment in the upgrading of sewage treatment plants is RMB8.26 million.

Sewage Treatment Performance of Jiangsu Dazhong

Index	Unit	Number in 2020	Number in 2021	Number in 2022
Number of Sewage treatment plants	Plant	7	8	8
Sewage treatment capacity	Ten thousand tons/day	24.5	26.5	26.5
Sludge treatment capacity	Ten thousand tons/day	24.5	26.5	26.5
Percolate treatment capacity	Ten thousand tons/day	0.074	0.08	0.08

Dazhong Jiading actively responded to the impact of the epidemic on water quality and quantity. The highest daily water treatment exceeded 220,000 tons. By the end of 2022, the annual average daily water intake was 180,700 tons, and the average daily water output was 156,300 tons

Sewage Treatment Performance of Dazhong Jiading Sewage

Index	Unit	Number in 2020	Number in 2021	Number in 2022
Number of Sewage treatment plants	Plant	1	1	1
Sewage treatment capacity	Ten thousand tons/day	17.5	17.5	17.5
Sludge treatment capacity	Ten thousand tons/day	17.5	17.5	17.5
Percolate treatment capacity	Ten thousand tons/day	0.015	0.025	0.025

– Promote the Development of Green Transport

Dazhong Public Utilities constantly explores the use of clean energy in the car rental business, promotes the launch of new energy taxis, continues to optimize the energy structure, reduces the use of traditional fossil energy, and makes the low-carbon economy realisable. It is committed to becoming the practice leader of green travel in Shanghai’s rental car industry. It is believed that the great efforts made by the transportation business of the Company in energy saving will have positive effects on the sustainable development

- ***Green Car Rental***

The subsidiary Dazhong Taxi and Car Leasing set the target for new energy vehicles’ utilization rate, accelerated the renewal plan of new energy vehicles, assisted the repurchase scheme of new energy vehicles, and reduced the risk of old vehicle disposal. It aims to realize the comprehensive new energy of X by 2025 and put the delivery of the new energy vehicles to a higher level by 2023. The 2023 annual target set by the Company is to put 2,000 new energy vehicles into service as taxis, accounting for 30%, and to put 400 new energy vehicles for rent, accounting for 12.4%.

In addition, the Company provides energy saving training for taxi drivers to reduce carbon footprint in a further step. At the same time, with the launch of the Dazhong Chuxing platform and its promotion in many cities, Dazhong transportation will achieve good progress in energy conservation and pollution reduction and maximum utilization of resources under the help of the power of information data and technology.

New Energy Vehicle Launch Performance of Dazhong Car Leasing

Index	Unit	Number in 2020	Number in 2021	Number in 2022
Number of NEV taxis/ proportion	NO/%	243/3.55	1,970/30.32	3,813/69.55
Number of NEV rental car	NO	65	229	357

Case: Issuing “green + epidemic prevention” dual-purpose bonds to promote the green development of Dazhong Transportation

Dazhong Transportation issued the green medium-term notes (1st tranche) in 2022, and the proceeds were used for purchasing new energy vehicle, assisting the Company in implementing the carbon peaking and carbon neutrality gstrategy, accelerating transformation and upgrading for green development. According to estimates, compared with the use of traditional fuel taxis, it is expected to reduce 26,723.03 tons of carbon dioxide and 14,549.11 tons of standard coal every year after all the purchased new energy vehicles are put into operation



- **Green Logistics**

Dazhong Logistics purchased 10 new energy logistics vehicles in 2022, and it continues to improve the operation mode of new energy logistics vehicles.

New Energy Vehicle Launch Performance of Dazhong Logistics

Index	Unit	Number in 2020	Number in 2021	Number in 2022
Total number of new energy vehicles in logistics	NO	2	1	12
The portion of new energy vehicles in logistics	%	0.25	0.11	0.12

- **Green Leasing**

Dazhong Financial Leasing cooperates with the new energy logistics vehicle operation service platform to expand its green leasing business and promote the development of green logistics

Case: Green finance supports low-carbon transport

In 2022, Dazhong Finance Leasing reached cooperation with Dishangtie Car Rental (Shenzhen) Co., Ltd. (“Dishangtie”) to jointly reduce the carbon cost. In order to meet the capital demand of Dishangtie, Dazhong Finance Leasing has developed well designed financial products to provide funds matching the investment payback period, helped Dishangtie solve the problem of financing, improved the efficiency of funds, and promoted the development of green leasing and green logistics.



– **Carry out environmental protection and public welfare activities**

The Company has built a sound propaganda mechanism of energy saving and emissions reduction, and organised related training programme. The Employee Handbook advocates environmental awareness, encourages employees to participate in environmental protection activities, to conduct “World Environment Day”, “Energy Conservation Week”, “Earth Hour” and other activities, and propagate the knowledge of energy conservation, emission reduction and environmental protection through various channels such as publicity boards, slogans, lectures and social media.

Case: Xihu sewage treatment plant in Donghai county conducts popular science education

In July 2022, the Xihu Sewage Treatment Plant was visited by teachers and students from the Red Scarf team of Heping Road Primary School and journalists from the Donghai Convergence Media centre, and the environmental science education themed “Celebrate the 20th CPC Congress and dream for Future” was launched. This activity helped the teachers and students learn the knowledge of water protection and efficient use, and how the sewage treated, which improved the environmental protection awareness





Operate Responsibly Dazhong Keeps its Promises

Dazhong Public Utilities, which principally engages in public utility and financial investment businesses, is committed to becoming an investment holding enterprise with prominent main business, standardised management, stable operation, and influential in the country. The Company adheres to the concept of safe operation, due diligence, and customer first when pursuing economic benefits. It continuously improves the quality of products and services, establishes and maintains good relations with business partners, and further enhances the ability in scientifically and stable operation.

3.1 QUALITY OPERATIONS AND CUSTOMER SERVICES

Public utilities are related to all aspects of people’s livelihood, are an important safeguard for sustainable economic development, and are also the foundation for improving people’s well-being. We will continue to improve the level of operation and management, provide better products and services for the public, and strive to ensure the high-quality life of city residents.

– Quality Management

According to the condition of different business services and sales terminals, the Company has implemented the quality management requirements in the Social Responsibility Management System, and established a strict product quality control and test system. The system helps the Company to improve the quality responsibility system, improve product quality and service level, and provide high-quality, safe and healthy products and services for the society.

In 2022, Dazhong Public Utilities Subsidiaries Jiangsu Dazhong, Dazhong Logistics obtained 1SO 9001:2015 quality management system certification.



Jiangsu Dazhong, Dazhong Logistics have obtained quality management system certification

– **Stable Gas Supply**

- ***Renewal and Reconstruction of Aging Urban Gas Pipeline***

The renovation of aging urban gas pipelines is an important livelihood and development project. It is conducive to safeguarding people’s lives and property. Ensuring the safe operation of cities is of great significance to promoting urban renewal and meeting the needs of the people for a better life. In view of the old underground pipelines in the residential area, Dazhong Gas has formulated the Measures for the Management of Old Pipeline Renovation Projects in the Community. The management of preparation before pipeline renovation, construction qual

In 2022, according to the modification scheme, the Company vigorously pushed forward the renovation of underground pipeline network with a total length of 186.26km, to totally eliminate the leakage of old gas pipeline, improve the stability of the gas supply, and safeguard the gas supply of residents.



- ***Governance of the difference in natural gas metering transmission***

The Company paid attention to the continuous safe and stable supply of gas, standardized the regulation of transmission difference, reduced gas leakage, and improved economic benefits. Nantong Dazhong Gas formulated the Metrology Management Standard, which stipulated the operation and management of general metering, civil gas meters, and non-residential gas meters, including meter reading, patrol inspection, maintenance, and difference analysis, to further reduce the transmission difference rate.

- ***Safety Checking And Controlling***

With the rapid development of city gas, the length of pipeline, consumption and the number of gas users are increasing year by year, and the gas safety is becoming more and more severe. The Company vigorously promotes the investigation and rectification of hidden dangers, focusing on the clean-up and remediation of illegal use of gas, and intensifying gas pipeline and household gas safety inspection. It focuses on the investigation of hidden dangers such as illegal occupation, enclosure occupation, overhead pipe corrosion and crossing underground space. Combining with the evaluation of the old pipeline network, the Company continues to implement the existing ledger to rectify the hidden dangers that are easy to cause gas accidents, to ensure the sustainable and stable situation of gas safety production in the city.

Case: Remedying Defects and Security Checking

Nantong Gas has rearranged indoor inspection for more than 30,000 users who have not been checked due to various reasons, marked unmanned users. And for more than 6,000 users with no gas consumption within half a year, the outdoor gas meters were closed and the reminder notices were pasted. In order to enable users who back from work to use natural gas safely and normally, indoor inspectors, while completing normal tasks, strengthen duty, strengthen service, be on call, braving the cold, work overtime to carry out security raids, and safeguard users' safety.

- ***Supply Guarantee in Winter***

Facing with the complex situation of gas supply in winter, the Company closely focuses on "guarantee of supply, safety and service", formulates the Peak Time Protection Plan from 2022 to 2023 in advance, implements emergency plans and carries out safety and supply measures. We pay close attention to the changes of temperature in winter and make the best efforts to achieve accurate prediction of gas purchase. At the same time, in case of the possible shortage of natural gas supply, the Company timely contact suppliers to safeguard the stable supply of natural gas in winter.

Case: To Protect People’s livelihood and Priorities, Nantong Dazhong Carries Out Emergency Drilling Activities.

In December 2022, Nantong Dazhong cooperated with Nantong Development and Reform Commission and Nantong Municipal and Landscape Bureau to undertake the emergency drill. The drill simulated the continuous low temperature and snowy weather from December 7 to December 9. It is predicted that the gas supply will reach 1.6 million cubic metres per day during this period, the average daily gap is 0.24 million cubic metres, accounting for 15% of the gas supply on that day, reaching the level II warning in the emergency plan. All departments of the Company took immediate action after receiving notice. The operation department notifies the industrial enterprises to reduce the gas consumption according to the user list. The control centre uses information technology to monitor the user’s reply constantly. The Company contacts and takes corresponding measures for the users who fail to reduce the pressure. Under the measures taken by the Company to seek external gas sources and guarantee gas supply, the shortage in gas supply has been alleviated.



Stable Gas Supply Performance of Dazhong Gas

Index	Unit	Number in 2020	Number in 2021	Number in 2022
Replacement length of gas pipeline	km	/	173.58	78.28
The portion of pipelines over 20 years	%	/	27.41	26.45
Indoor gas inspection rate	%	82.34	87.52	73.07
Number of users covered by patrol inspection	Household	930,469.00	910,430.00	906,613.00
Completion rate of patrol inspection	%	101.31	102.90	100.41
Rectification rate of potential dangers	%	85.36	87.70	88.34
Transmission difference rate	%	8.95	8.65	8.10

Stable Gas Supply Performance of Nantong Dazhong

Index	Unit	Number in 2020	Number in 2021	Number in 2022
Replacement length of gas pipeline	km	20.30	209.08	107.98
The portion of pipelines over 20 years	%	3.94	4.68	5.62
Indoor gas inspection rate	%	100.00	100.00	100.00
Number of users covered by patrol inspection	Household	1,169,064.00	1,169,828.00	1,149,506.00
Completion rate of patrol inspection	%	100.00	100.00	100.00
Transmission difference rate	%	3.37	3.08	2.80

– **Customer Privacy Protection**

Dazhong Public Utilities attaches importance to protecting customer privacy and personal information, and improves the information security management system continuously. It has formulated management systems such as Information Management System and Archives Management System, and passed the level III re-evaluation of the national information security level protection. In order to protect users' information, the Company signed the Information Security and Confidentiality Agreement with its customers. The agreement protects users' information (including code, account name, address), security inspection information (including source, date, status), etc.

– **Customer Service**

What the customer thinks is what the customer needs. Dazhong Public Utilities always adhere to customer-centred, establishes long-term and sincere relations with customers, continuously improves customer satisfaction, and wins the sincere respect of customers.

- ***Customer Complaints and Problem Solving***

In order to further strengthen the management of customer complaints, to ensure smooth channels for complaints, the Company has formulated the Regulations on the Management of Information Feedback, the Measures for the Management of Customer Complaints and other provisions to learn from customer comments and suggestions. At that same time, the Company has improved the official website, Wechat official accounts and message boards. The Company's service hotline is connected with the municipal governance platform, 12345 platform and 12319 platform to ensure that the appeals are replied and implemented. In addition, we have established a second time return visit mechanism to make a second return visit to customers after the problem is solved. In 2022, the gas sector and the logistics sector received a total of 2,330 complaints from various complaint platforms. All cases have been properly handled and the complaint resolution rate has reached 100%.

- ***Satisfaction surveys***

Dazhong Public Utilities regularly carries out customer satisfaction surveys. It entrusts a third party to conduct customer satisfaction evaluation on an annual basis, and takes it as one of the assessment indicators for optimising the business environment. The Company continues to implement the evaluation content, make the content targeted and effective, and carry out targeted research and put forward improvement objectives.

- ***Safety Publicity Activities for Gas Users***

To enhance the safety awareness of gas users and eliminate all kinds of potential gas safety hazards, various safety publicity activities were carried out in residential areas. By the end of 2022, Nantong Dazhong Gas and Shanghai Dazhong Gas had carried out 48 safety publicity activities, distributed 2,600 safety publicity manuals, covering 3,523 person-times, publicized the safe use of gas for non-residential catering users, and distributed 12,974 copies of Notice of Gas Management Centre on Safe Use of Gas, 12,974 copies of Notice on Safe Use of Gas of Production and Business Organizations in Catering and Other Sectors, and 3,500 copies of Notice on Installation of Gas Alarm Devices.

Case: ‘Fire’ prevention, ‘Gas’ Safe into the community

In September 2022, Members of Xu Zhizhou Volunteer Studio from Nantong Dazhong have successively conducted volunteer activities for gas safety and potential danger detection in the East Square of Zhonggang City Phase I and the small square of the Party and Mass Service Center of Zhuyun Garden in the Development Zone. With the assistance of community workers, the volunteers conducted a thorough investigation of the residents to detect whether there are potential safety hazards in the installation of gas appliances. The volunteers also distributed gas safety brochure to residents, and explained gas safety knowledge by using exhibition board of gas accident case. They informed residents of the hazards of improper use of gas, the basic methods of correct use of gas in daily life and the correct treatment for gas leakage. This activity is to propagandize the gas safety knowledge and protect the safety of gas users.



- ***Providing Support to Vulnerable Clients***

The Company actively provides door-to-door service for customers who are in difficulty, solves the urgent needs of customers. Nantong Dazhong takes the initiative to follow up the service with sincere and professional attitude, provides door-to-door account opening service, arranges staff to install and debug gas appliances, and receives full affirmation from the customers

Customer Service Performance of Dazhong Gas

Index	Unit	Number in 2020	Number in 2021	Number in 2022
Annual customer satisfaction	%	91.44	96.51	96.84
Annual customer compliant rate	%	0.40	0.40	0.50
Annual decline rate of customer compliant	%	/	0.00	0.10
Annual customer complaint settlement rate	%	100.00	100.00	100.00

3.2 SAFETY OPERATION

Safety is the premise of development and development is the guarantee of safety. Dazhong Public Utilities attaches equal importance to development and safety and always keep safety importance in mind. The Company has fully implemented the safety production management system and safety production responsibility, and resolutely prevent and restraint the occurrence of safety accidents.

– Lay a Solid Foundation of Safety Operation

Dazhong Public Utilities has formulated the Regulations on Safety Production Management, regularly reviewed and updated safety management systems and relevant norms and regulations, and timely updated and included them in the Group’s management systems. The Company and its subsidiaries have established independent and sound safety production management systems, and all subsidiaries in gas, sewage treatment, logistics, tunnel management, and other segments have set up corresponding safety production emergency response mechanisms and plans, and organized drills, updates, and improvements

Dazhong Public Utilities has formulated the Regulations of Safety Production Management, regularly examined and updated the safety management system and related norms and regulations, and timely renovate and enriched the compilation of the group management system. The Company and its subsidiaries have established an independent and perfect safety production management system, and the subsidiaries of gas, sewage treatment, logistics, tunnel management and other sectors have established corresponding emergency response mechanisms and plans for safety production, and organized drills and updates and improvements.

Management Level	Accountability Unit	Duties
The Group	Safety production committee	<ul style="list-style-type: none"> • Implement national safety production guidelines, policies, laws and regulations • Responsible for reviewing and supervising the implementation of the group’s safety production work management system, work policy and control objectives • Review the main points and plans of annual safety production work
	Safety production management team	<ul style="list-style-type: none"> • To establish and improve the safety production management system at the Group level and urge subsidiaries to establish and improve the corresponding safety production management system under the leadership of the safety production committee; • To coordinate and guide the emergency treatment and rescue work of all work safety accidents.
Subsidiary	Each subsidiary has set up safety operation management departments and safety supervision institutions.	<ul style="list-style-type: none"> • Each subsidiary implements and improves the corresponding safety management system and clarifies the responsibility of safety production management.

– **Potential Risk Detection**

The Company actively implements safety checks, strengthens the detection degree of potential risks, organizes safety check and safety meeting at least once quarterly, manages all kinds of potential safety hazards, discovers potential safety hazards and prevents the occurrence of safety accidents as soon as possible. In 2022, there were no major safety accidents and work-related deaths.

Index	Unit	Number in 2020	Number in 2021	Number in 2022
The number of work-related deaths	No	0.00	0.00	0.00
The proportion of work-related deaths	%	0.00	0.00	0.00
Working days lost due to work	Days	132.00	66.00	44.00

Note: The statistical contents includes headquarter of the Group, Dazhong Jiading Sewage, Dazhong Logistics, Shanghai Dazhong Gas and Nantong Dazhong Gas

Case: Stick to bottom-line thinking, Tightening the gas “safety valve”

In September 2022, all the leading groups of Dazhong Gas carried out gas safety hundred days of the special check actions. This action focuses on the four key links, mainly involving Low Pressure Pipe Renovation Project in 889 Square of Commercial Complex, 77 Lane of Furongjiang Road, 103 Lane, etc. There were no major potential safety hazards have been found in the gas operation, transportation and distribution, use and production of gas appliances.



– **Implementation of Safety Emergency Management**

The Company has continuously strengthened the building of emergency management system and capacity, established a leading group and a working group to solve significant emergencies and major incidents. These groups protect the safety of public life, environment and property to the greatest extent.

The subsidiaries of Dazhong Public Utilities have formulated emergency plans for production safety accidents, specified the responsible personnel and standardised the disposal procedures to ensure that emergencies are solved in a timely and proper manner. We will continue to strengthen emergency preparedness, carry out emergency plan drills, and improve the skills of emergency rescue personnel.

Case: Jiangsu Dazhong Conducts Fire Drill

In June 2022, Jiangsu Dazhong carried out emergency drills for sudden safety and environmental accidents. Through this fire drill, employees' awareness of prevention and the ability of self-rescue are enhanced, and employees are helped to understand and master basic operations such as how to identify dangers and how to take emergency measures



– To Strengthen the Capacity Building of Work Safety

The Company attaches great importance to the construction of staff safety production capacity and constantly improves the safety training system. The subsidiaries formulate and carry out annual safety education and training according to their own conditions. For new (rotated) employees, the Company implements three-level education, complete the training and assessment of basic knowledge, safety discipline and operation rules, and the training rate of three-level education reach 100%. Special operators need to participate in professional and technical training, and the rate of certification on duty reaches 100%. By the end of 2022, the Company had held 133 safety training sessions, with a total of 2,695 trainees.

Safety and Safety Training Performance

Index	Unit	Number in 2020	Number in 2021	Number in 2022
Times of staff health and safety training	Times	75.00	85.00	133.00
Staff health and safety training attendances	Attendance	1,798.00	1,984.00	2,695.00
Staff health and safety training hours	Hour	732.00	712.00	802.00
Total number of organised emergency drills	Number	44.00	61.00	33.00
Total attendances of organised emergency drills	Attendance	770.00	801.00	683.00
Total hours of organised emergency drills	Hour	89.00	179.00	79.00

Note: The statistical calibre includes the headquarters of the Group, Dazhong Jiading, Jiangsu Dazhong, Dazhong Logistics, Shanghai Dazhong Gas and Nantong Dazhong Gas

3.3 SUPPLIER RESPONSIBILITY

While continuously providing high-quality services to the public, Dazhong Public Utilities also pays more attention to establish win-win cooperative partnership with suppliers. The Company actively establishes and improves the supplier management system, effectively reduces the operating costs, and improves the quality of products and services purchased.

– Supplier Overview

In 2022, there are 322 cooperative suppliers of Dazhong Public Utilities and some affiliated companies, of which 200 are located in Shanghai.

Supplier Distribution

Total number of suppliers	322
Shanghai city	200
Beijing city	3
Tianjin city	1
Jiangsu province	61
Zhejiang province	23
Shanxi province	1
Jiangxi province	1
Shandong province	8
Anhui province	6
Liaoning province	2
Chongqing city	3
Fujian province	2
Hebei province	4
Henan province	2
Guangdong province	4
Heilongjiang province	1

Note: The statistical calibre includes the headquarters of the Group, Dazhong Jiading, Jiangsu Dazhong, Dazhong Logistics, Shanghai Dazhong Gas and Nantong Dazhong Gas

– **Supplier Management**

Dazhong Public Utilities set up a procurement committee which has issued and implemented a number of management policies, including the Regulations on the Management of Procurement Work, the Management System of Procurement Business and the Management System of Qualified Suppliers. The regulations are applied to further standardize procurement behaviour, strengthen supplier management, and ensure the quality of material procurement of the company and all operating subsidiaries.

The Company strictly organises and carries out supplier entry assessment in accordance with the rules and regulations, covering supplier qualification certificate, quality, safety and environmental protection performance. At that same time, it actively explores and adds the evaluation and management system of suppliers, track the information and performance of suppliers in time, and make reasonable adjustments according to the evaluation results. We insist on maintaining the transparency, openness, fairness and impartiality of the procurement process. To ensure the fairness and integrity of procurement operations, the Company and its subsidiaries will be permanently prohibited from engaging in business with suppliers who commit fraud by internal purchasing personnel.



Collaborative Sharing All Rivers Go to the Sea

Drops of water make up the sea. Dazhong Public utilities always regard employees as valuable wealth. It regards talents as the foundation of enterprise development, which makes employees have a sense of achievement, acquisition and pride, and creates a happy “public”. At the same time, the Group exerts a little bit of strength, carries out charity and public welfare activities, contributes to society, and builds a reliable enterprise for collaborative sharing.

4.1 EMPLOYEE RIGHTS AND BENEFITS

The Company pays attention to safeguarding the rights and interests of employees, respects their personal values, and strives to create a diverse, inclusive, equal, mutual trust and safe talent team.

Human Resource Distribution

Index	Unit	Number in 2021	Number in 2022
Number of total employees	No	3,019	2,975
Number of employees by gender			
Male	No	2,395	2,372
Female	No	624	603
Number of employees by employment type			
Total number of full-time employees	No	3,019	2,975
Total number of part-time employees	No	0	0
Total number of interns	No	0	0
Number of employees by age			
Total number of employees aged 30 and under	No	496	448
Total number of employees between 30 and 50 years old	No	1,682	1,625
Total number of employees aged 50 and over	No	841	902
Number of employees by region			
Headquarters	No	–	2,216
Other provinces and cities	No	–	759
Overseas regions	No	–	0
Overall employee turnover rate	%	4.41	6.25
Employee turnover by gender			
Male	%	5.15	5.38
Female	%	1.99	0.87
Employee turnover by age			
Total number of employees aged 30 and under	%	16.54	3.36
Total number of employees between 30 and 50 years old	%	66.92	2.76
Total number of employees aged 50 and over	%	16.54	3.16
Employee turnover by region			
Headquarters	%	–	5.85
Other provinces and cities	%	–	0.57
Overseas regions	%	–	0

– **Legal Employment**

The Company has formulated a completed human resource management system, including Employee Handbook, Regulations of Employee Performance Management, Regulations of Employee Training Management and Measures for Personnel Recommendation, Appreciation and Appointment Management, which standardised the management of employee recruitment, performance evaluation, salary management, training and other aspects.

Issues of employee legal rights	Contents
Management of labor contracts	<ul style="list-style-type: none"> • In order to safeguard the rights and interests of employees, the Regulations of the Implementation and Management of Labour Contracts have been formulated, and the Labour contract signing rate is 100%.
Free choice of employment and anti-discrimination	<ul style="list-style-type: none"> • We do not discriminate in employment decisions on the basis of race, religion, gender, national origin, age or any other status; • We respect free choice of employment and prohibit the use of child or forced labour or the choice to join or not to join a union.
Labour hours	<ul style="list-style-type: none"> • The number of working hours per week shall not exceed 40 hours in principle; • If employees need to work overtime due to work, the department head shall issue a written overtime notice and report to the Human Resources Department for approval, and shall not force them to work overtime; • Employees are entitled to statutory holidays

Issues of employee legal rights	Contents
Management of performance and compensation	<ul style="list-style-type: none"> • To formulate the Regulations of Employee Performance Management and stick to the principle of equal pay for male and female; • The Company's salary is generally composed of salary, welfare and others. Salary includes annual salary, annual commendation, etc. The welfare includes social basic endowment insurance, housing provident fund, supplementary housing provident fund, enterprise annuity, supplementary medical insurance, transportation subsidy, paid leave, health examination, working lunch, etc.; • The minimum standard of sick pay or sickness relief fee for employees shall be 80% of the minimum wage standard of local enterprises in the current year; • Determine the corresponding compensation standards for each rank according to the rank sequence; • To formulate and improve the Regulations of Employee Performance Management, set a combination of quantitative and qualitative performance objectives and performance appraisal results as one of the main basis for post promotion;

Legal Employment Performance

Index	Unit	Number in 2020	Number in 2021	Number in 2022
Labor contract signing rate	%	100	100	100
Social insurance coverage	%	100	100	100
Total Remuneration	RMB10 thousand	3,106	3,043	2,994

– **Democratic Communication**

Dazhong Public Utilities actively promotes democratic management, unblocks a variety of democratic two-way communication channels, listens to the aspirations of employees and reflects their wishes. The Company earnestly conducts the Regular Report System for Managerial Staff, continuously does a good job in daily management of managerial staff, records and summarizes the weekly report of managerial staff every month, and timely communicates and gives feedback according to the monthly reporting rate of the managerial staff. The average weekly reporting rate of the managerial staff is 87.56%. In addition, the Group also conducts regular internal investigation and evaluation to see employees' satisfaction with the working environment, salary and benefits. In 2022, the employees' satisfaction rate was 100% and the complaint rate was 0%.

Employee Satisfaction Performance

Index	Unit	Number in 2020	Number in 2021	Number in 2022
Satisfaction rate of employee	%	100	100	100
Complaint rate of employee	%	0	0	0

– **Employee Care**

Dazhong Public Utilities is committed to creating a simple, efficient, healthy and harmonious working atmosphere for employees. The Group provides employees with various welfare benefits, including provident fund, supplementary provident fund, annual physical examination, etc., and organises a variety of cultural and sports activities to better combine the results of employees' efforts with welfare enjoyment, improve employee happiness and engagement, and create a harmonious enterprise environment.

Object	Contents
All employees	<ul style="list-style-type: none"> • Social insurance • Holiday benefits • Concern and condolences • Cultural and sports activities • Health examination • Housing security: provident fund, supplementary housing fund • Enterprise annuities

Object	Contents
Female employees	<ul style="list-style-type: none"> • Exclusive holiday benefits • Fertility support
Retired employees	<ul style="list-style-type: none"> • Concern and condolences

Case: Theme activity of women’s day

In order to celebrate the women’s day, the Group labour union specially invited the art psychology teacher for female employees to carry out mental health counsel and aroma craft making production activities. The employees not only learned how to adjust the mood through the fragrance but also enriched their spiritual life at the same time.



Case: The chairman visited the frontline staff at the grass-roots level

In May 2022, the chairman paid a visit to 17 supply guarantee places and grassroots units of Dazhong Public Utilities and Dazhong Transportation to visit frontline staff. Upon learning that the staff of Dazhong logistics had carried out unified closed-loop management of the living environment in the company in order to adhere to epidemic prevention and safety, the chairman immediately coordinated the supply of goods and provided 25 single beds, vegetables and other materials.



– **Talent Cultivation**

Talent is the foundation of a business and gathers for a business. Dazhong Public Utilities attaches great importance to the human resources construction, and has set up the talent development committee, which is responsible for guiding the human resources construction and reserve talent training program of the Company.

The Company develops and trains outstanding talented reserves and establishes a diversified talented reserves training mechanism. Training methods include internal and external training courses, job rotation, performance coaching and other methods. In line with the principle of “coaching, helping and guiding”, the superiors of reserve talents at all levels formulate targeted, detailed and feasible training programs for them according to the actual situation.

Development channel of talents team	Talented Reserves
Senior management team	Pool A
Middle management team	Pool B
Group-deployed management team	Pool C
Professionals team	Pool D

Training Performance in 2022

Index	Unit	Number in 2022
Investment of training	Ten thousand Yuan	219.44
Total number of training	Times	601
Total hours of training	Hours	84,84
Total attendances of training	Ten thousand attendances	<u>14,980</u>

The statistical calibre includes headquarter of the Group, Dazhong Jiading, Jiangsu Dazhong, Dazhong Logistics, Shanghai Dazhong Gas, Dazhong Commerce and Nantong Dazhong Gas.

Average Training Hours Performance of the Group and Subsidiaries

Index	Unit	Group headquarters	Shanghai Dazhong Gas	Nantong Dazhong Gas	Dazhong Jiang Sewage	Jiangsu Dazhong	Dazhong Logistics
Average training hours of senior management	Hours	2	60	60	2	8	40
Average training hours of middle management	Hours	3	30	54	10	8	36
Average training hours of grassroots staff	Hours	/	18	52	12	18	32
Average training hours of male staff	Hours	2	18	52	12	16	36
Average training hours of female staff	Hours	2.5	18	52	3	13	36

Note: Data in 2022

Training Coverage Performance of the Group and Subsidiaries

Index	Unit	Group Headquarters	Shanghai Dazhong Gas	Nantong Dazhong Gas	Dazhong Jiading Sewage	Jiangsu Dazhong	Dazhong Logistics
Training coverage of senior management	%	100	100	100	100	100	100
Training coverage of middle management	%	100	100	100	100	100	100
Training coverage of grassroots staff	%	100	100	100	100	100	100
Training coverage of male staff	%	100	100	100	100	100	100
Training coverage of female staff	%	100	100	100	100	100	100

Note: Data in 2022

4.2 CREATING A HEALTHY OCCUPATIONAL ENVIRONMENT

Health and safety protection is related to the welfare of employees, and the Company puts the issue of healthy workplace at the first place. By improving the occupational health and safety management system, organising health activities, carrying out safety education, and properly responding to local epidemic situations, the Company can protect the safety and health of employees and provide them with a healthy and harmonious occupational environment.

– Occupational Health

Dazhong Public Utilities has established a perfect occupational health and safety management system, provided employees with labour protection equipment that meet the labour safety and health standards, and provided special labour protection equipment and nutrition subsidies for jobs with occupational hazards, and carried out regular physical examinations. In addition, the Company advocates a healthy lifestyle, actively encourages employees to participate in exercise, and conducts a number of sports and health activities

Jiangsu Dazhong had obtained the certification of ISO 45001:2018 Occupational Health Management System in 2022.



Jiangsu Dazhong obtained occupational health and safety management system certification

– **Driver Safety Protection**

Dazhong Public Utilities is committed to safety audit and education, and uses digital vehicle upgrading solutions to safeguard drivers, reduces accident risks, and provides a healthy and safe environment for drivers. In 2022, the total number of accidents happened in Dazhong car leasing business activities decreased by 24% compared with the same period last year, among which the number of material damage accidents over RMB30, 000 Yuan decreased by 12%, the number of human injury accidents decreased by 7%, the traffic violation rate decreased by 29% compared with the same period last year, and serious illegal behaviours such as speeding decreased by 33% compared with the same period last year.

Protective Measures	Specific Measures
Interviews and registration	<ul style="list-style-type: none"> Promoted drivers' interviews and registration with traffic police departments, helped drivers track and deal with traffic violations online in time, and improved the efficiency of handling violations.
Linkage mechanism between technology and business	<ul style="list-style-type: none"> Made use of the linkage mechanism between technology and business and deepened the use of BI tools, so that all kinds of safety key performance indicators can be transmitted to the functional departments of headquarters and fleets in time.
Education and tracking	<ul style="list-style-type: none"> Collected and tracked violations and accidents, and managed drivers involved in concentrated violations and multiple accidents and drivers held accountable for accidents multiple times at different levels. After analysis by the security department of the headquarters, clear work guidance was given to grass-roots units, and the education and tracking of drivers were strengthened in grass-roots fleets.
Intelligence traffic	<ul style="list-style-type: none"> Used intelligent rear-view mirrors to realize the monitoring inside and outside the vehicle, strengthened the control of driver service and operation, and monitored the status of vehicles and drivers in real-time, including speeding, fatigue driving, mobile phone use, and other dangerous driving behaviour; Drivers can realize one-click order-taking and travel route planning through intelligent rear-view mirrors, which improves the convenience and safety of drivers' order-taking.

– **Epidemic Prevention for Employees**

In the face of the epidemic, Dazhong Public Utilities had taken on the dual responsibility of protecting the health of employees while ensuring the livelihood of the people and striving to ensure the prevention of the epidemic. Leaders of each unit and department at all levels of the Group and subsidiaries formed epidemic prevention and control command teams to formulate emergency plans for epidemic prevention and control. We paid close attention to the latest requirements of pandemic prevention and control, raised the whole company’s pandemic prevention and control awareness, made detailed arrangements and took strict precautions, and actively promoted staggered working hours, shift system for important posts, and working from home for non-essential posts, purchased sleeping bags, bedding, and other related emergency materials, and made emergency preparations for the lockdown of offices.

In order to ensure the health and safety of the workplace and implement environmental health management measures, all workplaces of the Company had conducted all kinds of health and epidemic prevention work in accordance with the preventive measures and requirements published by the health and epidemic prevention department, and appointed special personnel to carry out disinfection twice a day and record the work.

4.3 SOCIAL WELFARE

Dazhong Public Utilities has always been diligent in business management, giving back to the society with love, and continuously giving back to the society with actual deeds to show its social responsibility. The Company carried out a wide range charity activities including couplet-assistance and care for demobilized soldier with difficulties. The Company also actively participates in blood donation and volunteer activities, take social responsibilities, and demonstrate public responsibility.

– **Obligation Donation**

“When difficulties arise in one place, aid comes from Dazhong” is the corporate philosophy and code of conduct since Dazhong Public Utilities was founded. In the face of the volatile situation of the epidemic, the Company donated all kinds of materials to support local people to overcome difficulties. Besides, the Company will help students grow healthily by offering love to students with difficulties in the community, providing support and spiritual encouragement within its ability.

Case: Dazhong’s Donation to the earthquake-stricken area in Sichuan

When an earthquake occurred in Sichuan in September 2022, the chairman Yang Guoping, on behalf of the Dazhong Public Utilities and Dazhong Transportation, donated RMB300, 000 Yuan to the earthquake-stricken areas in Sichuan for the earthquake relief work in Luding and Ya’an.



Case: Dazhong Public Utilities and Dazhong Transportation Donated RMB0.5 million Yuan to assist Hainan province in epidemic prevention

In August 2022, Dazhong Public Utilities and Dazhong Transportation donated RMB500, 000 Yuan to the prevention and control of COVID-19 epidemic in Hainan Province through the Shanghai Red Cross Society.



Social Welfare Donation Performance

Index	Unit	Number in 2022
Total amount of social welfare donations	Ten thousand Yuan	<u>50.8</u>

Public Benefit Activities

The spirit of selflessness, dedication and fraternity has become a gene for the Dazhong Public Utilities. The Company carried out charity activities including couplet-assistance, condolence visit, and volunteer blood donation, so as to pay back the society with actual deeds.

To spread love through volunteer blood donation	<ul style="list-style-type: none"> Cadres and employees of the Company actively responded to the call for volunteer blood donation, participated in volunteer blood donation activities, and contributed love with actual deeds to alleviate the difficulties of insufficient blood donation due to the epidemic in Shanghai.
Care for demobilized soldier with difficulties	<ul style="list-style-type: none"> To replace rubber tube for demobilized soldier with difficulties for free.
Volunteer activity	<ul style="list-style-type: none"> Participated in volunteer service, patiently explained the knowledge of safe gas use to residents, distributed gas safety brochures to carry forward and practice Lei Feng spirit with concrete actions; Volunteers carried out volunteer activities in various communities, assisted in nucleic acid detection, maintained order, and assisted with community work to fight against the pandemic.
Poverty alleviation by consuming products and services	<ul style="list-style-type: none"> Consumer products in the amount of RMB0.58 million Yuan were purchased from areas for pairing assistance in the east and west of the city, benefiting a total of 1,160 employees.

Public Benefit Activities Performance

Index	Unit	Number in 2020	Number in 2021	Number in 2022
Total number of times in the participation of social benefit activities	Times	6	19	149
Total attendances of social benefit activities	Attendances	156	38	150
Total hours of participation in social benefit activities	Hours	21	10	309

Note: The statistical calibre includes headquarter of the Group, Dazhong Logistics, Shanghai Dazhong Gas.

Responsibility: Defeat Relentless Virus With Love – Weave a Firm Livelihood Security Web

People’s livelihood is anything but a trivial matter. During the prevalence of COVID-19 in Shanghai in 2022, many brave and perseverant dedicators from Dazhong Public Utilities and Dazhong Transportation gathered in the epidemic prevention and control work, showing “public service and Shanghai temperature”.

– “Gas blue” Gathered in Epidemic Prevention and Supply Guarantee

Dazhong Public Utilities strictly and carefully advanced work about epidemic prevention and control and gas supply security, and quickly joined the anti-epidemic battle. We launched our supply security plan immediately, making active arrangements from the aspects of gas reserve, pipe network operation, emergency repair, and customer service. We made every effort to effectively ensure the safety and stability of the gas supply in that special period.

During the COVID-19 prevention and control period, Shanghai Dazhong Gas made full use of information means to monitor the real-time pressure of the gas pipe network and reasonably dispatch the gas sources. Two LNG stations in the north and south of the city immediately responded to the company’s “white list management” policy by taking special management measures for key positions. As the supply gap of LNG stations was rising, the task of supply security was arduous. The company adopted a daytime maintenance + nighttime unloading mode, regularly inspected and maintained the equipment, and timely detected and dealt with the hidden dangers of the stations. Meanwhile, watchkeepers closely inspected tank operation equipment, and kept an eye on the operation status, to ensure the normal operation of the equipment.

The company took practical actions to provide a reliable gas supply for the people, becoming the warmest and most powerful “gas blue”.

Case: To guarantee the gas supply in Nantong city.

Since April 2022, Nantong City had been affected by a new round of epidemic, and the city pressed the pause button. The LNG emergency reserve station of the gas source department was not fail to fulfil its mission to safeguard the emergency gas supply in urban areas. The work group strictly implemented management requirements, applying for “freight code” in advance, driving away LNG tank cars upon unloading, and escorting delivery vehicles to leave Nantong that day to the expressway exit. Besides, the inbound safety and the epidemic prevention inspection for tank car drivers from outside the city were intensified. The health code, trajectory code and venue code were all checked. The unloading process must abide by “contactless” rules. Each vehicle and each driver got disinfected. A monitoring and voice system was used throughout the process for remote command. On-site operators were separated from tank car escorts and drivers.

– **Brave to Defend the “lifeline”**

Logistics is the “main artery” that supports economic and social development and is also an important underpinner for people’s livelihood. The company made full use of its business advantages in logistics, leasing and other transportation fields to serve anti-epidemic workers, people with medical treatment needs and ordinary people mainly through delivering livelihood materials, epidemic prevention materials and medical supplies, becoming a strong force to “fight against the epidemic, guarantee people’s livelihood and boost the economy”.

Case: Ensure the transportation of epidemic prevention materials in Shanghai

In a severe epidemic situation in Shanghai in March 2022, Dazhong Logistics received instruction from X to transport COVID-19 antigen self-testing reagents to all districts. The company quickly assembled a workgroup, dispatched personnel and vehicles overnight and fully carried out vehicle disinfection, inspection and maintenance, protective articles preparation and logistical support. X sent 5 vehicles on the same day to transport about 800,000 units of COVID-19 Antigen Self-Testing Reagent, successfully completing the Stage 1 transportation task.



Case: Dazhong Taxi and Car Leading assembled a volunteer fleet to provide free transportation service.

In April 2022, Dazhong Taxi and Car Leading assembled a fleet of 50 drivers, which was ready round the clock to provide free transportation service for citizens living in 12 subdistricts and 24 towns in Pudong New Area who needed medical treatment or encountered emergencies. The fleet received more than 800 orders within one week. The vehicles strictly implemented disinfection rules. The drivers had got vaccinated three times and received nucleic acid tests every day so that the patients and their families could feel at ease.



Performance Presentation

- Governance Performance**

Name of index	Unit	Number in 2022
The numbers of general meeting held	Times	1
The numbers of board meeting held	Times	6
The numbers of board of supervisors meeting held	Times	5
Accumulated cash dividend amount	RMB100 million	about 23
Number of internal control training	Times	2
Internal control training hours	Hours	6
Attendances of internal control	Attendances	24

- Environmental Performance**

Name of index	Unit	Number in 2020	Number in 2021	Number in 2022
Greenhouse gas emissions	Ton of CO ₂ equivalent	2,144,966.06	435,065.00	30,461.39
Total comprehensive energy consumption	Ton of standard coal	/	2,089,803.89	14,729.80
Total amount of water consumption	Million litres	6,946	6,825	806.32
Total amount of waste water emissions	Tonne	19,330.00	6,828.76	95,735.54
The comprehensive utilisation of the general solid wastes	Tonne	/	/	47,154.17
The comprehensive output of the general solid wastes	Tonne	56,207.42	47,766.50	47,461.93
The comprehensive output of hazardous waste	Tonne	/	6.92	6.92

- Social Performance**

Name of index	Unit	Number in 2020	Number in 2021	Number in 2022
Annual customer satisfaction	%	91.44	96.51	96.84
Annual customer compliant rate	%	0.4	0.4	0.5
Annual decline rate of customer compliant	%	/	0	0.1
Annual customer complaint settlement rate	%	100	100	100
The number of work-related deaths	Number	0	0	0
The proportion of work-related deaths	%	0	0	0
Working days lost due to work	Days	132	66	44
Total number of times of staff health and safety training	Times	75	85	133
Total number of hours of staff health and safety training	Attendances	1,798	1,984	2,695
Total number of times of staff health and safety training	hours	732	712	802

Name of index	Unit	Number in 2020	Number in 2021	Number in 2022
Total number of emergency drills organized	Times	44	61	33
Total number of participants in emergency drills	Attendances	770	801	683
Total hours of participation in emergency exercise organised	hours	89	179	79
Total number of suppliers	Number	/	246	322
Total number of employees	Number	2,962	3,019	2,902
Labor contract signing rate	%	100	100	100
Social insurance coverage	%	100	100	100
Total compensation	Ten thousand Yuan	3,106	3,043	2,994
Satisfaction rate of employee	%	100	100	100
Complaint rate of employee	%	0	0	0
Investment of training	Ten thousand Yuan	/	161	219.44
Total attendances of training	Ten thousand times	3,234	12,794	14,980
Training coverage of staff	%	100	100	100
Total number of times in the participation of social benefit activities	Times	6	19	149
Total attendances of social benefit activities	Attendances	156	38	150
Total hours of participation in social benefit activities	Hours	21	10	309

Appendix I: Index of Indicator

Reference Table of HKEX ESG Reporting Guide

Indicator No.	Description	Page
Environmental (explain without disclosure)		
Aspect A1: Emissions		
General Disclosure	Information on: (a) Policies; and (b) Compliance with relevant laws and regulations with a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, as well as generation of hazardous and non-hazardous waste	34-36
A1.1	The types of emissions and respective emissions data	34-36
A1.2	Total greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of the production volume, per facility)	34
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of the production volume, per facility)	36
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of the production volume, per facility)	36
A1.5	Description of emissions target(s) and steps taken to achieve them	34
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) and steps taken to achieve them	36
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	33-34
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of the production volume, per facility)	31
A2.2	Water consumption in total and intensity (e.g. per unit of the production volume, per facility)	33
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	31

Indicator No.	Description	Page
A2.4	Description of whether there is any issue in sourcing water which fit for purpose, water efficiency target(s) set and steps taken to achieve them	34
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	35
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on reducing the issuer's significant impacts on the environment and natural resources	34
A3.1	Description of the significant impacts of activities on environment and natural resources and the actions taken to manage them	35-36
Aspect A4: Climate Change		
General Disclosure	Policies on identifying and responding to significant climate-related issues that have and may have an impact on the issuer	27
A4.1	Description of the significant climate-related issues that have had and may have an impact on the issuer, and actions to address them	27
Social (recommended disclosure)		
Aspect B1: Employment		
General Disclosure	Information on: (a) Policies; and (b) Compliance with relevant laws and regulations with a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, work- hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	57
B1.1	Total workforce by gender, employment type, age group and geographical region	56
B1.2	Employee turnover rate by gender, age group and geographical region	56

Indicator No.	Description	Page
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) Policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe work- environment and protecting employees from occupational hazards	58-60
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	59
B2.2	Lost work-days due to work injury	59
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored	62-63
Aspect B3: Development and Training		
General Disclosure	Policies on improving employee knowledge and skills for discharging duties at work. Description of training activities	50-51
B3.1	The percentage of employees trained by gender and employee category	50
B3.2	The average training hours completed per employee by gender and employee category	53
Aspect B4: Labor Standards		
General Disclosure	Information on: (a) Policies; and (b) Compliance with relevant laws and regulations with a significant impact on the issuer relating to preventing child and forced labor	56-57
B4.1	Description of measures to review employment practices to avoid child and forced laborers	56-57
B4.2	Description of steps taken to eliminate such practices when discovered	56-57

Indicator No.	Description	Page
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain	52
B5.1	The number of suppliers by geographical regions	52
B5.2	Description of practices relating to engaging suppliers, the number of suppliers where the practices are being implemented, and how they are implemented and monitored	52
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	52
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	52
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) Policies; and (b) Compliance with relevant laws and regulations with 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	42-45
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Not involved
B6.2	The number of products and service related complaints received and how they are dealt with	47
B6.3	Description of practices relating to observing and protecting intellectual property rights	Not involved
B6.4	Description of quality assurance process and recall procedures	44
B6.5	Description of protection for consumer data and privacy policies, and how they are implemented and monitored	47

Indicator No.	Description	Page
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) Policies; and (b) Compliance with relevant laws and regulations with a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	21
B7.1	The 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	21
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	21
B7.3	Description of the anti-corruption training provided to directors and employees	21
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to get to know the needs of the communities and to ensure that its activities should take into consideration the community interests	65
B8.1	Focus areas of contribution	65
B8.2	Resources contributed to the focus area	65

Appendix II: Reader's Opinion

Respected readers:

Thank you for reading this report. We appreciate and look forward to your feedback. Your opinions and suggestions are important for us to continuously improve corporate ESG information disclosures and promote corporate ESG management and practice. Welcome and sincerely thank you for your valuable opinions!

1. Your overall assessment of our ESG performance is:
 Excellent good average bad very bad
2. Your overall assessment of this report is:
 Excellent good average bad very bad
3. What do you think of our performance in communication with stakeholders?
 Excellent good average bad very bad
4. What do you think of our performance in corporate governance?
 Excellent good average bad very bad
5. What do you think of our performance in environmental management?
 Excellent good average bad very bad
6. What do you think of our performance in social responsibility?
 Excellent good average bad very bad
7. What do you think of our performance in ESG?
 Excellent good average bad very bad
8. What are your opinions and suggestions for our ESG performance and this report?
