



光大綠色環保
Everbright Greentech

Stock Code: 1257

(Incorporated in the Cayman Islands with limited liability)

2025

SUSTAINABILITY
REPORT





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FEEDBACK

The Group highly values the opinions of its stakeholders. Should you have any questions or suggestions regarding the content or format of this Report, please feel free to contact us at info@ebgreentech.com.



MESSAGE FROM THE CHAIRMAN



Chairman
Dr. Zhu Fugang

In 2025, under the steadfast leadership of China Everbright Group Limited (“Everbright Group”) and China Everbright Environment Group Limited (“Everbright Environment”), the Group focused its efforts on major aspects: “cost control and efficiency enhancement for existing projects, transformation and development for the principal business and disposal of low-profit and ineffective assets”. We focused on core businesses to enhance profitability and deepened reforms to drive transformation, achieving historic breakthroughs in operations. This year, we continued implementing our development strategy centred on “Technologisation, Internationalisation and Ecological Model”. Generating the immense momentum to continuously advance our “Second-stage Entrepreneurship”, we embraced new development principles, fostered new-quality productivity, and cultivated new drivers for green growth, delivering numerous encouraging results.

Focusing on Core Businesses and Driving Low-Carbon Transformation. Guided by the national “Dual Carbon” strategy, the Group remains committed to strengthening and enhancing its core clean energy business while actively promoting the transformation and upgrading of biomass projects. During the Reporting Year, Dangshan Biomass Project successfully achieved profitability without the benefit of renewable energy tariff subsidies. Construction commenced on the first bio-natural gas project, marking a breakthrough in value-added biomass recycling projects. Lingbi Biomass Glycation Project completed its feasibility study, bolstering our pipeline of high-quality projects for industrial upgrading. The Group is strategically prioritising the development of value-added biomass recycling technologies, focusing on the two core platforms of biomass gasification and biomass glycation. By targeting low-carbon green products, we are committed to develop itself into an internationally first-rate integrated clean energy operator specialised in integrated biomass utilisation.

In terms of zero-carbon industrial park business, we integrated “solar-storage-charging” infrastructure with virtual power plant technology to provide one-stop low-carbon solutions for industrial clients. Our projects successively obtained “Zero-Carbon Factory” and PAS 2060 carbon neutrality certifications, setting benchmarks for green transformation in the Yangtze River Delta

region. In our power trading and green certificate business, we deepened our market presence, assisting over 100 clients across Jiangsu, Shandong, and Anhui provinces in increasing their proportion of green electricity usage. The annual green certificate trading volume recorded an 11-fold year-on-year increase, helping clients optimise energy mix through market mechanisms and generate quantifiable carbon reduction value. In 2026, we will actively monitor and promote the implementation of China Certified Emission Reduction (CCER) methodologies for biomass projects, enhance the functionality of our energy and carbon management platform, and strive to complete our first carbon asset transaction at the earliest opportunity.

Practising Symbiosis and Deepening Responsibility. A secure and reliable energy supply is the cornerstone of stable economic and social development. In response to the challenges posed by increasingly frequent extreme weather events, the Group strengthened unit monitoring and emergency response capabilities to ensure a stable energy supply across all regions. In terms of rural revitalisation, the Group's integrated biomass utilisation projects continued to expand the full value chain encompassing straw collection, storage, transportation, and processing. As a result, nearly 50,000 jobs are created for rural areas, prioritising local farmers and formerly impoverished households. By facilitating stable income growth for approximately 5.03 million farmers, we are continuously solidifying a sustainable closed-loop model featuring "ecological management, industrial value enhancement, and livelihood improvement". With respect to employee development, we further refined talent cultivation mechanisms, with annual average training hours reaching approximately 46 hours per person, a significant increase from the previous year. Simultaneously, we steadily advanced reforms to our rank and remuneration system, streamlined talent development pathways, and established a fair, equitable, and scientific talent assessment system to revitalise our talent pool, supporting high-quality development with a high-calibre workforce.

Strengthening Corporate Governance and Solidifying Development Foundations. The Group continues to refine its ESG governance structure and enhance the quality of information disclosure, responding to stakeholder expectations with transparent and responsible governance practices. In 2025, we officially released our standalone [Climate Change Policy](#) and [Workforce Diversity Policy](#), proactively addressing stakeholder concerns regarding climate and human capital matters. In addition, we established a carbon peaking target, committing to achieve peak carbon emissions from our own operations by 2029, transforming our climate commitments from conceptual frameworks into tangible and trackable goals. In terms of information disclosure, we deepened climate-related financial disclosures, expanded the scope of greenhouse gas (GHG) emission disclosures, and enhanced climate risk analysis by quantifying associated financial impacts. We also referenced the Taskforce on Nature-related Financial Disclosures (TNFD) framework for the first time, comprehensively restructuring our nature-related disclosures from governance and risk/opportunity identification to strategic responses.

With respect to technological innovation, the Group actively engaged in industry-academia-research collaboration with colleges and universities. Notably, the *Research on Constant Pressure Green Chemical Chain Ammonia Synthesis Technology*, jointly submitted in collaboration with the China University of Mining and Technology, was included in the 2025 list of "Dual Carbon" projects in Jiangsu Province. We are also accelerating AI empowerment, enhancing management efficiency through digitalisation. Leveraging our proprietary invention patent, "*A Methodology and System for Energy Supply Optimisation at Zero-Carbon Industrial Parks Based on Big Data Analysis*", we are building a new operating model featuring "Green Energy Supply + Smart Management". With regards to information security governance, the Group officially established an Information Security Working Group in 2025 to build a cross-departmental information security management system, safeguarding digital transformation of our businesses.

In 2025, in addition to improved ESG ratings from two leading institutions, the Group won multiple prestigious ESG awards. These include the winning for the first Gold Award of the "Most Sustainable Organization Awards" (the highest honour in the Small-size Capacity category) in "Best Corporate Governance and ESG Awards 2025" organised by Hong Kong Institute of Certified Public Accountants; the "Best ESG Report (Small-Cap) – Grand Award" at the Hong Kong ESG Reporting Awards (HERA) 2025; the "2025 ESG Model Enterprise Award" at the 4th International Green Zero-Carbon Festival for the first time; and a Certificate of Merit from the Environmental Campaign Committee of Hong Kong. Furthermore, several of our projects received national and provincial honours: Rugao Biomass Project was designated by the Ministry of Ecology and Environment as one of the "Fifth Batch of National Environmental Protection Facilities Open to the Public"; Lintao Waste-to-energy Project was certified as a "Green Factory" in Gansu Province; and Lianshui Biomass Project was approved as a "Waste-free City Construction Project" of Jiangsu Province and named as a "Jiangsu Provincial Water Conservation Enterprise", demonstrating widespread recognition of the Group's ESG achievements.

Year 2026 marks the starting year of the new "15th Five-Year Plan" and serves as the 'Inaugural Year' for the Group to explore new business sectors and advance toward high-quality development. Looking ahead, centred on the national "15th Five-Year Plan" and "Dual Carbon" strategic goals, the Group will set its focus on building a conglomerate of strategic new businesses comprising multiple elements such as value-added biomass recycling, zero-carbon industrial park construction, smart electricity sales and urban/rural development to underpin new chapters in its "Second-stage Entrepreneurship" with solid deliverable. We will persist in safeguarding "lucid waters and lush mountains", fulfil our ecological mission, and contribute meaningfully to the sustainable development of our industry, our country, and the world.

ABOUT THE REPORT

About Everbright Greentech

China Everbright Greentech Limited (“Everbright Greentech” or the “Company” or together with its subsidiaries, the “Group”) is a professional environmental protection service provider in China, with its businesses focusing on integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation, solar energy and wind power, it listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 8 May 2017 (Stock Code: 1257).

Reporting Period and Scope

This Sustainability Report (the “Report”) relates to the Group’s sustainable development strategy, major performance and future directions for the period from January 1, 2025, to December 31, 2025 (the “Reporting Year”). During the Reporting Year, the Report continued to focus on the operation of the Group’s integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation, solar energy and wind power. The environmental and social key performance indicators (KPIs) will cover the Group’s headquarters in Hong Kong, Shenzhen, and Changzhou, and projects over which the Group exercises operational control. **Compared to the 2024 Sustainability Report, the Report includes 2 new projects.** For further information about the Group, such its performance in corporate governance and financial performance during the Reporting Year, please refer to the Group’s Annual Report 2025 (the “Annual Report”).

Reporting Standards and Principles

This Report was prepared in accordance with the Environmental, Social and Governance Reporting Code (Appendix C2 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”)) and was made reference to the Global Reporting Initiative Sustainability Reporting Standard (“GRI Standards”). The disclosure of indicators in this Report can be found in Appendix 4 and Appendix 5.

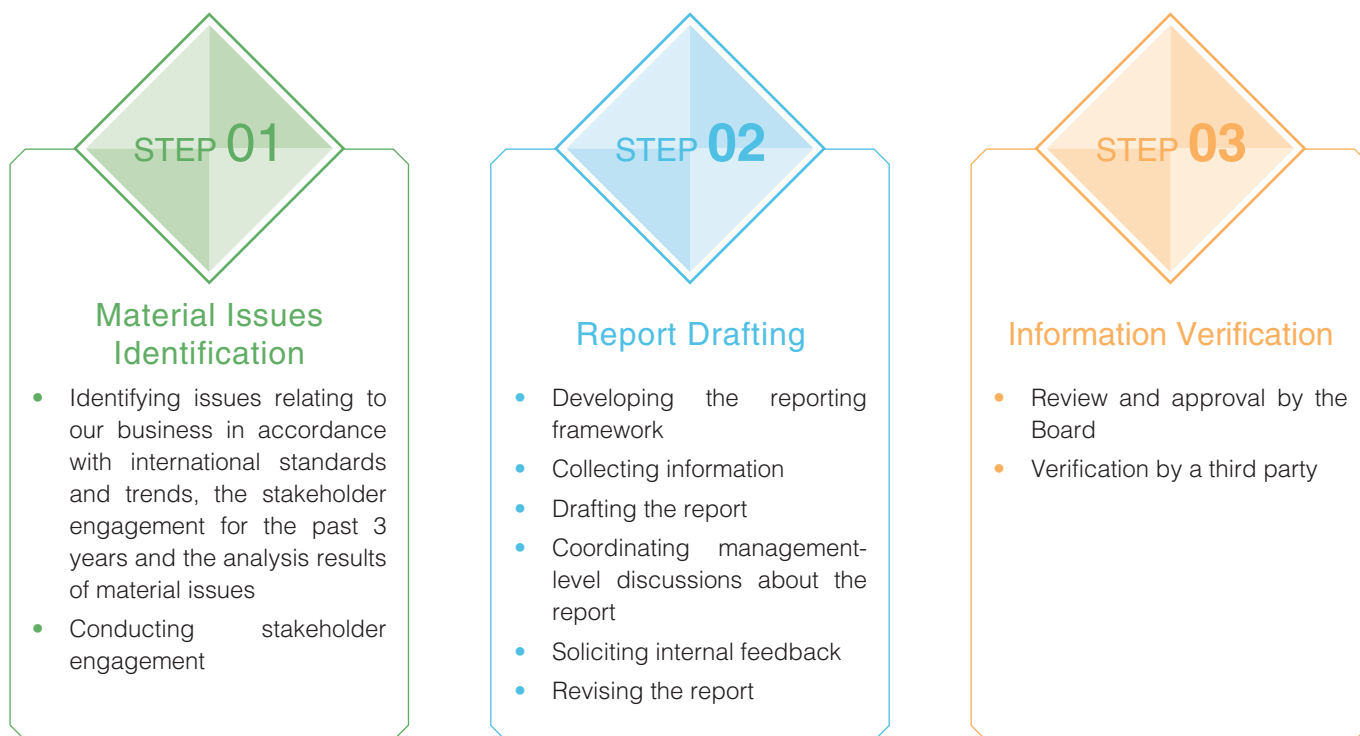


We firmly believe that maintaining high standards of information disclosure is crucial for the Group to achieve efficient and sustainable management. In preparing the Report, the Group has adhered to the 11 reporting principles as shown below.

No.	Principle	Description	Response of the Group
1.	Stakeholder Inclusivity	The report should explain how stakeholders have been identified and how their views and expectations have been addressed.	During the Reporting Year, the Group gathered stakeholders' views and suggestions through communication activities, and these inputs formed the primary basis of the Group's reporting. Also, the Group has screened its major stakeholders in a responsible manner according to the principles of responsibility, influence, proximity, dependence and representativeness.
2.	Sustainability Context	The report should illustrate the entity's performance in a broader sustainability context.	When reporting various sustainability issues, the context of the industry, region and the world have been taken into consideration, taking into account the Group's own sustainability strategies, risks, opportunities and goals.
3.	Materiality	The report should reflect the notable economic, environmental, and social impact of the entity, or areas which have a substantial impact on stakeholders' evaluation of and decisions regarding the entity.	Based on the nature of the Group's business, operation modes, locations, and the results of stakeholder engagement, sustainability issues that are of high importance to stakeholders and have a significant impact on the Group have been identified.
4.	Completeness	The report should explain in reasonable detail the scope and timing of the impact of material issues identified.	The Group has evaluated and reported on the impact of all material sustainability issues for the Reporting Year and has provided responses.
5.	Accuracy	The report should provide sufficient accurate and detailed information to facilitate stakeholders' evaluation of the performance of the entity.	The Group's internal control and vetting procedures ensure the accuracy and reliability of all information.
6.	Balance	The entity should prepare the report in an impartial manner and ensure clear explanation of both positive and negative impacts, so that stakeholders may reasonably evaluate its overall performance.	In the preparation of this Report, while emphasising the Group's achievements in ESG, the Group has also described the difficulties encountered and their solutions.
7.	Clarity	The report should present information clearly for ease of stakeholders' understanding and access.	This Report is presented in a manner that is easily comprehensible and accessible to stakeholders with a certain degree of knowledge of the Group and its businesses.
8.	Comparability and Consistency	The report should disclose information in a consistent format, so that stakeholders can analyse and evaluate the performance of the entity during different periods. The entity should provide explanations in respect of any change in the methods of disclosure.	This Report presents past KPIs and information to allow stakeholders to compare performance on a year-on-year basis.
9.	Reliability	The report should explain the manner in which the information has been collected, recorded, edited, analysed and reported, so that stakeholders can confidently review its quality and truthfulness.	The information and data disclosed in this Report have undergone internal review, validated by third-party institution, as well as endorsed and approved by the board (the "Board") of directors (the "Directors") of the Company. This ensures the clarity of the data, with no false statements, misleading representations, or material omissions.
10.	Timeliness	Regular reporting should be conducted to furnish stakeholders with timely information, so that they can make informed decisions.	This Report clearly presents general information related to the Group's economic, environmental, and social impacts during the Reporting Year.
11.	Quantitative Measurement	The report should disclose KPIs in measurable terms.	The Group has provided quantitative information within a reasonable scope and clearly outlined the standards, calculation methods, and assumptions used.

Process of Report Preparation

The preparation process for the Report was consistent with that of the previous Sustainability Reports, following the process of material issues identification, report drafting and information verification. The details are as follows:



Notes on Data

The Group undertakes that all information and data¹ collected have been sourced from the Group's internal documents and statistical reports, and have been approved by internal control and vetting procedures. Data analysis has been conducted in accordance with relevant local or international guidelines and standards, such as the estimation of greenhouse gas ("GHG") emissions of projects according to computational methods approved under the Clean Development Mechanism ("CDM")², and has been subjected to third-party verification. All data presented in the Report are subject to rounding adjustments except for integers.

Independent Assurance of the Report

The Board considers sustainability an important part of its corporate development strategy, and the Report was approved by the Board on 18 March 2026. In addition, to ensure compliance with relevant reporting standards, the Report has been independently assured by the Hong Kong Quality Assurance Agency. **The independent assurance report is set out on pages 151 to 158 of the Report.**

Access and Feedback for the Report

The full version of this Report has been published on the websites of [Everbright Greentech](#) and [Hong Kong Exchanges and Clearing Limited](#). In the event of any discrepancy between the Chinese and English versions, the Chinese version shall prevail. Unless otherwise stated, if there is any discrepancy between this Report and the Annual Report 2025, the Annual Report 2025 shall prevail.

The Group welcomes all stakeholders and the public to provide valuable comments and suggestions to info@ebgreentech.com on the content of the Report, the reporting approach, and the Group's sustainability performance.

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

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

OVERVIEW OF SUSTAINABILITY PERFORMANCE

Economic Performance



Total assets
HKD **34.604** billion



Total number of projects
215
(including **73** environmental remediation projects)



Total revenue
HKD **6.729** billion



Total investment
RMB **30.441** billion



Environmental remediation service amount
RMB **1.882** billion

Environmental Performance

On-grid green electricity
6,623,601 MWh

Volume of steam supplied
4,486,854 tonnes

Volume of hot water supplied
194,342 GJ



Clean Energy Business

Biomass raw materials processing volume
7,350,687 tonnes

Solar Energy and wind power generation designed capacity³
274.72 MWh

Household waste processing volume
3,683,365 tonnes

General industrial solid waste processing volume
418,473 tonnes



Hazardous and Solid Waste Treatment Business

Detoxification treatment volume
510,148 tonnes

Integrated resource utilisation volume
29,394 tonnes

Sales volume of recycled products
13,924 tonnes

³ Excluding distributed solar energy facilities within the Group's plants.

Social Performance

Coverage rate of regular performance and career development assessments

100%

Safety and health related investment

RMB 70.21 million

Safety and occupational health training

23,443 attendances

Average employee training hours

46.44 hours

Rate of suppliers signing the Sunshine Statement

100%

Percentage of female employees

21%

Governance Performance

No

significant corruption-related complaints were received⁴

No

significant corruption-related litigation remain unresolved⁴

100%

of Directors, management, and employees have received integrity education/anti-corruption training

Honours



⁴ Refers to complaints and litigation against the Group and its employees during the Reporting Year.

PROMOTION OF SUSTAINABLE DEVELOPMENT

Sustainability Governance

As the Group's highest governing body, the Board is responsible for establishing and upholding governance practices, including those related to sustainability. To support this, the Group has set up a Sustainability Committee with defined terms of reference to assist the Board in overseeing the management and performance of the Group's sustainability efforts. The Group's sustainability and ESG-related matters also include addressing climate change and related issues.

To ensure the effective implementation of sustainability policies and measures across the Group, 3 working groups have been established under the Sustainability Committee: the Operation Management Working Group, the Employment and Investment Working Group (formerly the Employment and Community Investment Working Group), and the Compliance and Risk Working Group. To further strengthen governance leadership, the Group optimised the composition of its committees during the year, establishing a core structure comprising the Chairman of the Board, the Chief Executive Officer, and 3 Independent Non-executive Directors. One committee meeting was held during the year, resulting in two written resolutions to ensure that ESG and climate-related material issues are advanced and implemented with high efficiency.

To enhance the professional skills and capabilities of the Board, and all committees and departments, the Group actively engages external advisors to provide ESG training. This ensures the prompt identification of sustainability-related risks and opportunities, which are integrated into strategy formulation to guide the Group's sustainability practices effectively.



⁵ EB Greentech Technology Services (Jiangsu) Co., Ltd.

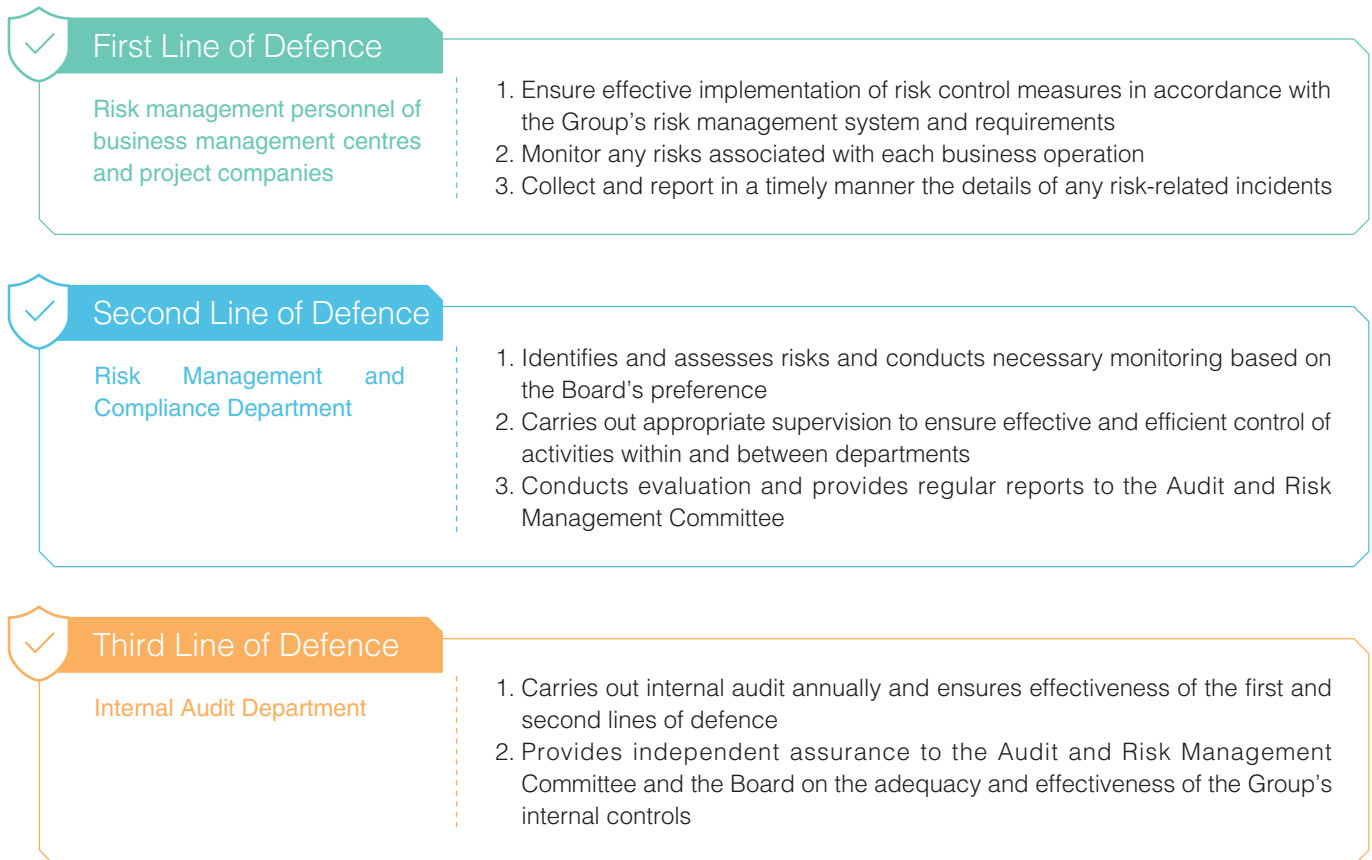
The Board, with the support of various Board committees, discusses and/or deliberates on ESG-related matters from time to time. During the Reporting Year, the following tasks were completed:

- 🛡️ Reviewed the Group's ESG performance and the resources allocated for related reporting, including employee qualifications, experience, training programmes undertaken, and associated budgets, to ensure sufficient resources are in place to support relevant management efforts;
- 🛡️ Assessed ESG-related risks and opportunities, and evaluated the effectiveness of risk management and internal control systems. Through risk event analysis, the Board examined the frequency, trends, and impacts of ESG risks on the Group;
- 🛡️ Reviewed the Group's Sustainability Report 2025 and its related works;
- 🛡️ Reviewed and confirmed the list of sustainability issues and their materiality ranking for the Reporting Year;
- 🛡️ Enhanced professional capabilities in managing ESG issues by inviting experts to conduct internal training sessions and by participating in ESG training programmes organised by external organisations;
- 🛡️ Deliberated on and accepted the proposal to include the Chief Executive Officer in the Sustainability Committee;
- 🛡️ Deliberated on and approved the Group's [Climate Change Policy](#) and [Workforce Diversity Policy](#);
- 🛡️ Established and approved GHG emission targets; and
- 🛡️ Reviewed the Group's integration of ESG-related matters into departmental performance appraisals.

In line with the adjustments to the Group's management structure, and to further clarify the roles and responsibilities of various departments in ESG information disclosure, ESG practices, and ESG risk management (including climate-related risks), the Board reviewed and approved the *Notice on Adjusting the Sustainability Working Group* during the Reporting Year. This Notice further refined and clarified departmental responsibilities, laying a solid foundation for the orderly advancement of subsequent ESG work.

Sustainability Risk Management

Everbright Greentech has established a model of “Three Lines of Defence” for risk management. The Board and the Audit and Risk Management Committee hold full responsibility for tasks related to risk management. The risk management personnel of business management centres and project companies, the Risk Management and Compliance Department, and the Internal Audit Department collectively form the “Three Lines of Defence”, each responsible for different duties and tasks.



The Group's risk management system has set the management objective of “Ensuring the Realisation of the Company's Strategic and Operational Goals” and the management vision of “Overall Compliance, Minimise Weaknesses, Manage Uncertainties and Optimise Performance-based Management”. Guided by the Group's medium- and long-term strategic goals, we adopt steady market expansion and prudent operational management to rationally establish risk preferences across 6 dimensions: investment, finance, engineering construction, operation, reputation, and talent. Financial and non-financial indicators are quantitatively assigned warning thresholds and limit values to continuously optimise the effectiveness of internal controls and strengthen risk resilience and management capabilities.

The Group has further enhanced the corporate risk management system by integrating ESG risk management and placing a strong emphasis on the prevention and mitigation of climate-related risks. During the Reporting Year, we conducted in-depth identification, assessment, and analysis of climate risks in alignment with the *Recommendations of the Task Force on Climate-related Financial Disclosures* (“TCFD Recommendations”). Based on the results of risk assessments and quantitative analyses, we formulated corresponding mitigation measures to minimise climate risks. For further details, please refer to the chapter “Addressing Climate Change” on pages 32 to 53 of this Report.

Business Ethics

The Group strictly complies with the *Anti-Unfair Competition Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, the *United Nations Convention Against Corruption*, the *Prevention of Bribery Ordinance of Hong Kong*, and other relevant laws and regulations. We oppose improper business practices such as fraud, corruption, bribery, and cyber intrusion. All employees are required to follow the *Anti-Corruption, Anti-Bribery and Anti-Money Laundering Policy* of the parent company, CEEGL, and the Group's *Corporate Code of Conduct*. Employees are strictly prohibited from engaging in bribery, extortion, fraud, or money laundering in any form. Whether in China, Hong Kong, or other regions, all Executive Directors and employees must comply with relevant laws and regulations, and are prohibited from soliciting, accepting, or offering bribes. In accordance with the *Administrative Measures on the Surrender of Gifts*, employees must declare any gifts or souvenirs received during business interactions and refuse unreasonable hospitality to avoid compromising business judgment.

The Group upholds the highest standards of integrity, adopts a zero-tolerance approach towards corruption and bribery, and has implemented a series of anti-corruption and anti-bribery policies. We strictly adhere to the policies of the parent company, CEEGL. For further details, please refer to "Appendix 2: List of Important ESG Policies" on pages 161 to 162 of this Report.

During the Reporting Year, the Group organised a series of activities such as the "Integrity at the Frontline" initiative and "Case-Based Learning" outreach sessions. We dispatched personnel to project companies and management centres to deliver 15 training sessions, aimed at strengthening legal and disciplinary awareness among frontline staff and fostering an ethical workplace.

In particular, the Group held 4 anti-corruption training seminars during the Reporting Year in a hybrid online and offline format. Participation was mandatory for all staff, with each employee receiving an average of approximately 7 hours of targeted training. The curriculum featured cautionary documentaries on serious misconduct, in-depth briefings on recent internal investigations and risk-related cases, and specialised sessions on anti-corruption and compliance led by Senior Management. Through these measures, the Group continues to elevate the professional integrity of its workforce, solidifying a corporate culture of transparency and strengthening the foundations of corporate governance.



Integrity Awareness Session for all staff of Everbright Greentech



Integrity Training Course for Management of Business Organisations conducted by Hong Kong Independent Commission Against Corruption

2025 Employee Integrity Education/Anti-Corruption Training Data



The Group has implemented regulations on the avoidance of nepotism and conflicts of interest, requiring all Executive Directors and employees to avoid any conflicts between personal interests (including those of immediate family members and associated companies) and the interests of the Group. They must recuse themselves from activities involving themselves and associated parties, such as procurement and tendering, investments, business transactions, and staffing decisions, and must strictly comply with relevant regulations on nepotism avoidance in employee appointments.

Whistleblowing Policy

To ensure orderly business operations, promote healthy enterprise development, and strengthen internal controls, the Group has established a [Whistleblowing Policy](#). This policy provides channels for internal and external stakeholders (including employees, investors, and suppliers) to report actual or suspected illegal or improper conduct, and provides new employees with detailed explanations of the relevant rights and responsibilities during induction training. The Group is committed to strictly protecting the identity of whistleblowers and providing a grievance mechanism for whistleblowers and those involved in investigations to safeguard them from harmful behaviours such as harassment, intimidation, bullying, or unjustified negative performance evaluations. During the Reporting Year, the Group further revised the *Whistleblowing Policy* to strengthen whistleblower protection and governance oversight mechanisms: the identification information of whistleblowers is explicitly classified as “strictly private and confidential documents”; it is clarified that investigation results must be notified to the whistleblower within 3 months of the case being closed; all investigation results must be reviewed by the Audit and Risk Management Committee before being reported to the Board; and a periodic review and final approval mechanism by the Board has been established. These revisions significantly enhance the impartiality, transparency, and protection of the whistleblowing channels, fully reflecting the Group’s ongoing commitment to whistleblower protection and anti-corruption governance. The Group has also established an Integrity Management Department to supervise and investigate misconduct and violations by management and employees, aiming to ensure the impartial exercise of power and eliminate any behaviour that violates ethical standards.

Should any actual or suspected illegal activities, improper behaviour, or misconduct be identified, they may be reported to the Group in accordance with its *Whistleblowing Policy*. During the Reporting Year, the Group received a total of 6 cases through its whistleblowing channels. Upon verification, 2 cases were found to be outside the scope of the Group’s projects or were classified as general complaints, and therefore did not meet the criteria for formal investigation. The remaining 4 cases involved labour disputes and disciplinary violations. As of the end of the Reporting Year, investigations into 3 of these cases have been completed and closed, with the findings reported to the Audit and Risk Management Committee; the remaining 1 case is currently under investigation in accordance with established procedures.

Whistleblowing Procedure



Reporting channels include emailing to report@ebgreentech.com or mailing to Room 3602, 36/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or No. 1003 Shennan Avenue, Futian District, Shenzhen, China. Relevant channels are also displayed on the corporate website, *Staff Handbook*, intranet, Sustainability Report and Annual Report



Upon receipt of a whistleblowing case, an investigation will be carried out by a designated personnel



If a whistleblowing case is substantiated and involves criminal offenses, the relevant personnel will seek legal advice and submit the matter to the Audit and Risk Management Committee for approval. It will then be presented to the Board for a decision on whether to report the case to the appropriate law enforcement or judicial authorities



If a whistleblowing case is substantiated but does not involve criminal offenses, disciplinary actions such as deducting relevant assessment scores or demotion will be imposed on the concerned employee. The investigation report will be submitted to the Audit and Risk Management Committee and subsequently to the Board for approval



If a whistleblowing case is unsubstantiated, the investigation findings will be presented to the Audit and Risk Management Committee

2025 Statistics on Corruption Complaints and Litigation

NO	NO
significant corruption-related complaints	significant corruption-related litigation

Sustainability Strategy

The Group recognises that achieving long-term development and making sustained positive contributions to society require the integration of sustainable development principles into business operations. Accordingly, we have established 5 strategic pillars of Sustainability as the foundation of our decision-making and actions. We are committed to embedding sustainability considerations into our business strategy to support the achievement of the Group's long-term objectives.

Pillars of the Sustainability Strategy

Safe Production

The health and safety of workers are essential to the sustainable development of enterprises. Businesses must prevent, control, and eliminate occupational health hazards, safeguard employee well-being, and ensure safety throughout production processes. By maximising risk management and addressing management deficiencies, companies can position themselves as reliable local service providers while building a strong brand reputation.



Stable Supply

A stable supply of key raw materials and consumables is essential for the stable operation of enterprises. To reduce operational costs and effectively manage supply chain risks, it is imperative to optimise management processes, enhance operational capabilities, and strengthen supply chain management.



Green Recycling

Developing a circular economy is a key strategy for overcoming resource and environmental constraints, addressing climate change, and unlocking new economic growth opportunities. By promoting renewable energy and adopting a "produce-use-recycle" approach to resource utilisation, businesses can reduce carbon emissions and the extraction of virgin materials while simultaneously enhancing product value and lowering operating costs.



Technology Development

Technology is the primary driver of enterprise development. The rapid growth of the renewable energy sector compels environmental protection companies to advance their technological and management capabilities to remain competitive.



Employee Development

Diversity in gender, nationality, cultural background, educational background and abilities provides organisations with varied perspectives and insights, enabling the development of innovative strategies to address risks and seize opportunities in operational processes. To adapt to the rapidly changing business environment and enhance employee skills and competitiveness, companies should prioritise training and development, build robust talent pools, and establish leadership pipelines.





- Honoured with the “Outstanding ESG Enterprise Award” at the “Outstanding ESG Enterprise Awards 2025” organised by HK01, as well as the “Sustainable Development Corporate Recognition Certificate” verified and issued by the Green Council

- Won the Gold Award of the “Most Sustainable Organization Awards” (the highest honour in the Small-size Capacity category) in “Best Corporate Governance and ESG Awards 2025” organised by Hong Kong Institute of Certified Public Accountants



Everbright Greentech supports the United Nations Sustainable Development Goals (SDGs) and is committed to eradicating poverty, reducing inequalities, and building a more peaceful and prosperous society by 2030. We believe that the following 13 SDGs are most closely aligned with Everbright Greentech’s sustainability strategies.

Safe Production



Stable Supply



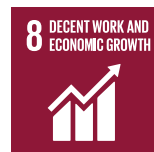
Green Recycling



Technology Development



Employee Development



Sustainable Development Goals	Our Practices and Achievements in SDGs
 End poverty in all its forms everywhere 1.A Ensure significant mobilisation of resources from a variety of sources, including enhanced development cooperation, to provide adequate and predictable means for developing countries, especially least developed countries, to implement programmes and policies to end poverty in all its dimensions.	• Prioritise providing job opportunities for local residents, helping them escape poverty through stable employment and income • Actively collaborate with communities to promote local economic growth through business development, achieving mutual prosperity for companies and communities
 Ensure healthy lives and promote well-being for people of all ages 3.8 Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all. 3.9 By 2030, substantially reduce the number of deaths and illnesses caused by hazardous chemicals and air, water, and soil pollution and contamination.	• Provide employees with comprehensive medical protection, including life insurance, critical illness insurance, health insurance, and disability insurance • Assist local governments in safe and proper disposal of medical waste and other hazardous wastes • Make improvements to the safety, environment and health management regime, set safety and environment management goals for inclusion in Group appraisal at all levels • Apply standard operational procedures at all projects, provide sufficient safety and occupational health training, and adopt protective measures to safeguard staff safety
 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all 4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship.	• Formulate staff training plans annually to provide vocational training opportunities for all employees in a fair and equitable manner • Support staff in the pursuit of continuing education and offer rewards to staff for professional qualifications and professional titles for special skills acquired
 Achieve gender equality and empower all women and girls 5.1 End all forms of discrimination against all women and girls everywhere. 5.4 Recognise and value unpaid care and domestic work through the provision of public services, infrastructure, and social protection policies, and promote shared responsibility within the household and the family. 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.	• Persist in the principle of gender neutrality in matters pertaining to employment, training and promotion • Offered sponsorships to the Plan International's Donate a Pencil Initiative over consecutive years to support education for girls as a life-changing initiative and call for public concern for the rights of girls • Provide maternity leave, breastfeeding leave and breastfeeding facilities for female staff, paternity leave for male staff and parental leave for all staff with born kids, and ensure the absence of any obstacles for taking such leaves

Sustainable Development Goals	Our Practices and Achievements in SDGs
 7 AFFORDABLE AND CLEAN ENERGY Ensure access to affordable, reliable, sustainable, and modern energy for all 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix. 7.a Enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency, and advanced cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.	• Utilise agricultural and forestry waste, household waste and general industrial solid waste for power generation and heat supply, and build solar energy and wind power projects to provide clean energy to local communities • Formulate Energy Management Policy and require projects to reduce energy consumption and install in-house solar energy facilities to increase the proportion of renewable energy in their energy mix • Cooperate with local communities to develop zero-carbon industrial parks and energy and carbon assets management platforms
 8 DECENT WORK AND ECONOMIC GROWTH Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all 8.5 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.	• Provide more job opportunities for local agricultural workers and help them to increase income by purchasing agricultural and forestry waste • Persist in equality in wages for the same jobs and adhere to the principles of fairness, equality and non-discrimination in recruitment, remuneration and work conditions • Zero tolerance for exploitation, forced labour, modern slavery and human trafficking, a stance which is also made clear to stakeholders
 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE Build resilient infrastructure, promote inclusive and sustainable industrialisation, and foster innovation 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes.	• Implement circular economy-based business models and maximise reduction of pollutant discharge through recycled use of resources to reduce impact on the environment • Develop businesses such as smart power network, energy storage and energy and carbon asset management, among others, to reduce carbon dioxide emission • Optimise scientific research effort and conduct technology research and development (R&D) to enhance environmental technologies and support clean production
 11 SUSTAINABLE CITIES AND COMMUNITIES Make cities and human settlements inclusive, safe, resilient, and sustainable 11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.	• Maintain sufficient and sound engagement with local communities and indigenous peoples in the course of project preparation, construction and operation, publish policies and adopt measures as appropriate to reduce the negative impact of project operation on local communities • Provide local communities with clean energy through the Group's project facilities to reduce local waste pollution and carbon emission • Incorporate climate-related risks into our enterprise risk management regime with a special focus on the impact on important supply chains and adopt specific measures in response to enhance climate resilience

Sustainable Development Goals	Our Practices and Achievements in SDGs
 Ensure sustainable consumption and production patterns 12.2 By 2030, achieve the sustainable management and efficient use of natural resources.	- Formulate relevant policies and adopted measures in production to increase the efficiency and efficacy of the consumption of water, energy and raw materials - Reduce consumption of natural resources and promote the use of renewable energy in project construction and operation - Adopt effective measures for the management of waste discharge to avoid leakage
 Take urgent action to combat climate change and its impacts 13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.	- Identify risks and opportunities arising from climate change according to the TCFD framework and conduct scenario analysis to identify specific impact - Closely monitor changes in regulatory policies owing to climate change to direct the Group's development strategy and planning accordingly - Provide employees with ESG-related training
 Conserve and sustainably use the oceans, seas and marine resources for sustainable development 14.a Increase scientific knowledge, develop research capacity and transfer marine technology, taking into account the Intergovernmental Oceanographic Commission Criteria and Guidelines on the Transfer of Marine Technology, in order to improve ocean health and to enhance the contribution of marine biodiversity to the development of developing countries, in particular small island developing States and least developed countries	- Supported the conservation initiatives of the Ocean Park Conservation Foundation Hong Kong by organising activities such as eco-conservation workshops, laboratory visits, and endangered species observation, enhancing employees' and their families' understanding of marine ecosystems and biodiversity - Promoted the value of natural capital to employees and their families, fostering environmental stewardship and raising awareness among the next generation on the importance of protecting the marine environment
 Promote peaceful and inclusive societies for sustainable development 16.5 Substantially reduce corruption and bribery in all their forms.	- Regularly provide employees with anti-corruption training - Require compliance with policies such as the <i>Staff Handbook</i> and <i>Corporate Code of Conduct</i>; prohibit unethical practices, including bribery, fraud, money laundering, conflicts of interest, and discrimination - Regularly conduct employee satisfaction surveys and one-on-one discussions to understand workplace challenges and help employees clarify their goals, fostering a fair and inclusive working environment
 Strengthen the means of implementation and revitalise the global partnership for sustainable development 17.9 Enhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement all the sustainable development goals.	- Explain the Group's sustainability policy to suppliers, partners and other stakeholders - Maintain friendly engagement with tertiary colleges and industry associations and develop sustainable partnerships to fully utilise available resources and drive technological innovation - Formulate policies and made improvements to data audit processes to enhance ESG data transparency and quality so that business partners could understand the real conditions

Stakeholder Engagement

The Group values stakeholder engagement as the foundation for achieving sustainable development planning and fulfilling social responsibilities. Through regular communication, the Group gains insight into stakeholders' concerns and expectations regarding sustainable development and formulates operational strategies to address their needs. Effective communication channels have been established with internal and external stakeholders during daily operations, enabling the Group's business units to gather feedback and respond promptly.

Stakeholder	Focus and Expectations	Communication	Description	Communication Frequency
Employees	- Safety and health - Salary and benefits - Protection of labour rights - Equal and diverse working environment	Everbright Environment OA System	All employees can use the "Listen to Grassroots Voices" module in OA to share their thoughts, express their needs, and provide suggestions. We encourage employees to contribute ideas for our development.	Irregular
		Employee Satisfaction Survey	Conducted employee satisfaction surveys to gather feedback on various aspects, including corporate culture, job positions, communication channels, remuneration and benefits, and career development.	Irregular
Investors and shareholders	- Robust investment returns and efficient corporate governance system - Timely and accurate disclosure of information	Company website or WeChat account platform	We regularly update and prepare performance materials for investors and shareholders, publishing them on our official website for regular review.	Regular
		Non-deal roadshow	We regularly hold interim and annual performance briefings, as well as local and overseas conference calls, to share our latest operating conditions, strategic development progress, and the impact of industry policies with investors and shareholders.	Regular
		Shareholders' meeting	We convene shareholders' meetings regularly or on an ad hoc basis to make decisions on significant matters and communicate with shareholders.	Irregular
		Daily communication (including email, phone, WeChat and meetings)	We assist securities analysts in developing financial models and issuing coverage reports for us, while promptly responding to investor and analyst inquiries and on-site inspection requests.	Regular/Irregular
		Site inspection	We host on-site inspections for investors, providing them with in-depth insights into our project's production processes, operating conditions, potential for heating business expansion, industry trends, and future prospects.	Irregular/ As required

Stakeholder	Focus and Expectations	Communication	Description	Communication Frequency
Government and regulatory authorities	- Safe operations - Legal compliance - Promote economic development - Rural revitalisation - Charity - Environmental management	Progress report	We work closely with local governments, providing timely updates on project preparation and construction progress to relevant industry authorities, and updating the status of project investment budgets as required.	Weekly/ Monthly/ Quarterly/ As required
		Site inspection	We host on-site inspections for government departments at all levels to gather their feedback on project planning, construction, and operational processes, while promoting the project's environmental and social benefits as well as its advanced practices.	Irregular/ As required
Customers	- Stable supply - Energy efficiency	Daily communication (including phone and email)	We maintain close communication with local governments to assist in improving the local living environment and creating employment opportunities.	As required
		Meetings or customer satisfaction surveys	We engage with clients through meetings and surveys to maintain effective communication and unlock service value potential, thereby ensuring rigorous quality standards and sustained customer satisfaction.	Regular
Business partners and suppliers	- Fair procurement - Green supply chain management - Integrity-based collaboration	Procurement tender meeting	We regularly evaluate suppliers' service capabilities and implement a tiered management system to provide a reference for future collaboration.	Irregular
		Questionnaire	We conduct surveys with business partners and suppliers to assess their satisfaction with the collaboration process and gather their feedback and suggestions for improving cooperation effectiveness.	As required
Local communities	- Safe operation - Rural revitalisation - Charity - Environmental management - Community development	Community outreach and environmental education activities	We open our environmental facilities to the public to promote environmental knowledge and spread awareness of eco-friendly practices.	Before construction/ Irregularly
		Public hearing	Before project construction, we invite community residents to participate in public hearings to gather feedback from representatives within the project's affected areas and solicit suggestions from various stakeholders.	Before construction/ As required

Stakeholder	Focus and Expectations	Communication	Description	Communication Frequency
Media	- Information transparency - Seamless communication	Site visit	We welcome media visits to showcase our projects' contributions to social responsibility and actively address media concerns regarding project construction and operations, fostering effective communication between our projects and the public through media channels.	Irregular
		Management interview	At appropriate times, such as during performance announcements or after the launch of key initiatives, we arrange media interviews with our management to discuss our industry and the Group's management strategies.	Regular/ As required
NGOs/industry associations	- Environmental management - Ecological protection - Community development - Charity	Charity event	We actively participate in and organise various community welfare and charitable activities to support local economic development and promote mutual progress between the company and the society.	Irregular
		Forum/Salon	We regularly participate in industry exchange forums organised by trade associations to stay informed about the latest developments in policies, technologies, and business models.	Irregular
		Industry research report/development report	We collaborate with industry organisations and peer companies to release industry research reports, analysing the current state and future prospects of the sector.	Regular/ As required

Recognition from Multiple Institutions for the Transformation Outcomes of Integrated Biomass Utilisation Projects

In October 2025, several leading brokerages and investment institutions, including Shenwan Hongyuan, China International Capital Corporation, China Merchants Securities, and Xingyin Fund, conducted a site visit to the Group's Dangshan Integrated Biomass and Waste-to-Energy Project. The research team inspected the biomass storage yard, waste treatment facilities, and central control room to systematically understand the project's performance in biomass and waste synergistic disposal, intelligent operation of electricity and heat cogeneration operations, and refined management. During the discussions, management engaged in in-depth dialogue on core topics such as industry policy trends, breakthroughs in technological innovation, and disciplined cost control. The investment institutions generally recognised that the project has established a replicable integrated model for county-level waste treatment and green energy supply, balancing environmental benefits with economic feasibility, and demonstrating strong potential for long-term development.

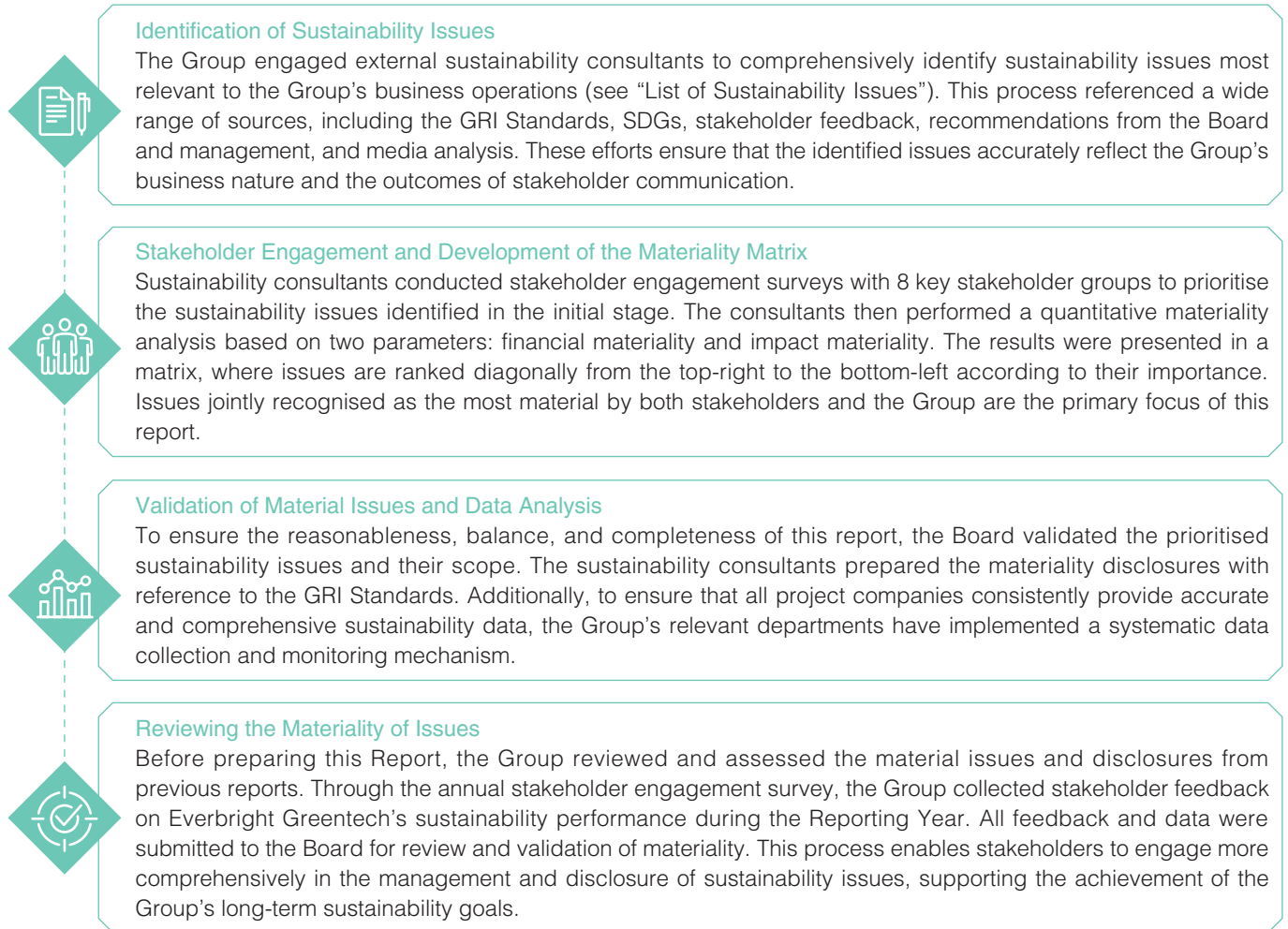


Materiality Analysis

The Group regularly conducts comprehensive materiality assessments by engaging with stakeholders through surveys and meetings. These engagements identify the most critical economic, environmental, and social issues for both the Group and its stakeholders, which in turn define the scope and boundaries of the sustainability report.

Building on the “double materiality” principle introduced in 2024, the Group evaluates sustainability issues based on their impact on corporate value and financial performance (financial materiality), as well as the external impact of the Group's business activities on the economy, environment, and society (impact materiality). This dual-perspective assessment serves as the core foundation for the Group's strategic formulation and reporting disclosures during the Reporting Year.

Materiality Issues Determination Procedures



Building on the comprehensive issue identification and stakeholder prioritisation completed in 2024, the Group continues to adopt the double materiality framework during the Reporting Year. On this established foundation, we have reviewed the current issues to ensure their ongoing relevance to the Group's business model, operating strategies, and emerging technological and market trends. This process ensures that our sustainability issues remain effective, valid, and forward-looking.

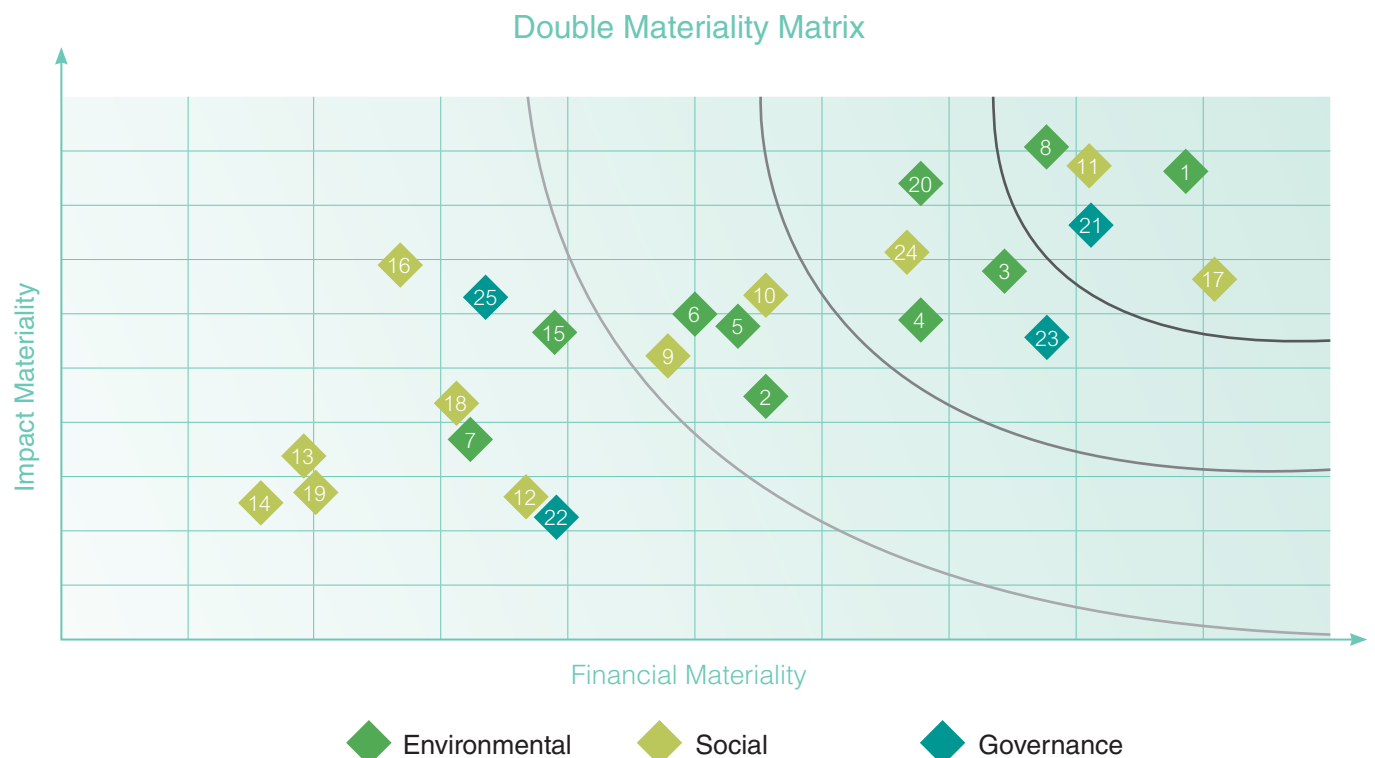
Identification of Sustainability Issues

During the Reporting Year, the Group engaged an external sustainability consultant to conduct an independent assessment of the sustainability issues identified in the previous year, incorporating the latest regulatory requirements, industry trends, and internal business priorities. The prioritised material issues have been reviewed and confirmed by the Sustainability Committee and the Board. These issues span the 3 domains of Governance, Environment, and Social, fully reflecting the Group's core business and sustainability direction. The Board will continue to review the list of material issues annually and will re-initiate the full stakeholder engagement process in the event of significant changes.



Materiality Assessment

Based on the results of the double materiality analysis, and following the review and approval by the Group's CEO Office and Sustainability Committee, we have identified 15 key material issues most relevant to our business operations. These issues are prioritised and presented in the matrix below.





The table below outlines the material issues identified by the Group, their impact on key stakeholder groups, and their alignment with the relevant GRI Standards and SDGs. This serves to assist the Group in formulating long-term sustainability policies and strategies that effectively address stakeholder expectations.

Material Issues/ Stakeholders' Focus	Impact Boundary								GRI Standard	Main Relevant SDGs
	Investors and Shareholders	Employees	Government and regulatory authorities	Local Communities	Customers	Business Partners and Suppliers	Media	NGOs		
1 Circular Economy	●	●	●	●	●	●	●	●	GRI 301 Materials	 
2 Safe Production	●	●	●	●	●	●	●	●	Not applicable	
3 Air Pollution Management	●		●	●		●		●	GRI 305 Emissions	
4 Stable Supply	●	●	●	●	●	●	●		Not applicable	
5 Technological Innovation	●		●		●	●	●		Not applicable	
6 Anti-corruption/ Anti-bribery	●		●	●		●		●	GRI 205 Anti-corruption	
7 Occupational Health and Safety		●	●			●		●	GRI 403 Occupational Health and Safety	
8 Climate Change Mitigation	●	●		●		●	●	●	GRI 305 Emissions	
9 Energy Efficiency	●	●			●	●		●	GRI 302 Energy	
10 Corporate Governance	●	●	●	●	●	●	●		GRI 201 Economic Performance	

Material Issues/ Stakeholders' Focus		Impact Boundary							GRI Standard	Main Relevant SDGs
		Investors and Shareholders	Employees	Government and regulatory authorities	Local Communities	Customers	Business Partners and Suppliers	Media	NGOs	
11	Employee Welfare and Training		●			●				GRI 401 Employment GRI 404 Training and Education  
12	Water Resource Management	●	●		●		●	●	●	GRI 303 Water and Effluents  
13	Waste and Wastewater Management	●	●		●			●	●	GRI 303 Water and Effluents GRI 306 Waste 
14	GHG Emissions		●	●	●				●	GRI 305 Emissions 
15	Environmental Protection Education	●		●	●				●	Not applicable 

Significant Impacts on the Group

Sustainability Strategy Pillars	Material Issues	Importance to Stakeholders	Importance to the Group
Safe Production 	• Safe Production • Occupational Health and Safety	External stakeholders are highly concerned about the Group's performance in ensuring safety in production and occupational health. This reflects corporate responsibility, compliance, and social accountability. Employees value a safe and healthy working environment and expect the Group to effectively manage occupational risks and protect employee well-being. Communities expect safety management to avoid impacts on public safety and the environment.	Safe production and occupational health are the foundation of internal operations. Failure to meet safety standards may lead to employee injuries, lawsuits, economic loss, and reputational damage. Effective safety management reduces risks, enhances stakeholder trust, and minimises financial and operational disruptions caused by workplace accidents.
Stable Supply 	• Stable Supply • Anti-corruption/ Anti-bribery	Stakeholders expect companies to deliver stable and efficient services, particularly in the energy sector, where supply disruptions could impact customer operations and lower investment returns. Additionally, stakeholders emphasise the importance of integrity and transparency in supply chain management to mitigate corruption risks and ensure the safety and reliability of long-term partnerships.	The implementation of stable supply and anti-corruption measures help the Group maintain a stable operating environment and ensure the reliability of power supply. These measures also optimise internal management, reduce production disruptions caused by raw material shortages or supply interruptions, and minimise operational risks and costs. Furthermore, the Group's anti-corruption and anti-bribery policies, along with related trainings, effectively prevent corrupt practices, safeguard the Group's reputation and brand image, and foster greater trust in the Group.
Green Recycling 	• Circular Economy • Air Pollution Management • Climate Change Mitigation • Energy Efficiency • Water Resource Management • Waste and Wastewater Management • GHG Emissions • Environmental Protection Education	As the government actively promotes a circular economy and low-carbon development, stakeholders are placing increasingly stringent demands on corporate environmental performance. They expect companies to enhance resource efficiency and take proactive steps in areas such as air pollution control, water resource management, and waste treatment to effectively improve environmental quality. Moreover, companies must focus on natural resource management, reduce excessive exploitation of natural resources, protect ecosystems, and contribute to sustainable societal development.	We recognise that advancing green circularity and environmental management goes beyond regulatory requirements — it enhances competitiveness, addressing climate change, and mitigating operational risks. By optimising resource utilisation and operational efficiency, companies can reduce costs and unlock more opportunities for green growth. Additionally, actively responding to policies and societal expectations reinforces corporate brand image and attracts investment from stakeholders who prioritise sustainability.

Sustainability Strategy Pillars	Material Issues	Importance to Stakeholders	Importance to the Group
Technological Development 	Technological Innovation	In the context of achieving low-carbon development and sustainable growth, technological innovation has become a key focus for stakeholders. Regulatory bodies and governments expect companies to accelerate the development of low-carbon technologies and high-efficiency solutions to support carbon peaking and carbon neutrality goals. Customers, on the other hand, anticipate that companies will leverage innovative technologies to enhance service quality, thereby facilitating their own low-carbon transformation.	Technological innovation enables the Group to maintain its leadership in the industry, strengthen market competitiveness, and explore new business and market opportunities. As such, the Group places technological development at the core of its strategy, continuously increasing resource investment to drive R&D and the creation of new business initiatives.
Employee Development 	- Employee Welfare and Training - Corporate Governance	Employees are the core assets of a company's sustainable development. Comprehensive benefits and training opportunities directly influence employee satisfaction and loyalty. Employees expect fair compensation, career development opportunities, and a healthy work environment. Meanwhile, regulatory bodies focus on whether companies comply with labour laws and adhere to sound corporate governance practices. Strong governance structures also enhance market reputation, foster customer trust, and promote long-term stable partnerships.	The Group places great emphasis on employee welfare and training, striving to build a comprehensive benefits system and growth platform. We offer competitive salaries, medical insurance, parental leave, and systematic training programmes to enhance employee satisfaction and loyalty while reducing turnover rates. At the same time, we continuously improve corporate governance, including anti-corruption training, to mitigate operational risks, attract top talent, improve internal management efficiency, and lay a solid foundation for the Group's long-term stable development.

ADDRESSING CLIMATE CHANGE

In recent years, the impact of climate change on the environment and society has become increasingly severe. With the frequent occurrence of severe heatwaves, heavy rainfall, and other extreme weather events and disasters, the negative impacts and risks caused by climate change are becoming more prominent day by day. The international community has increasingly recognised the serious threats and challenges that global warming poses to the survival and development of current and future generations. Taking active measures to combat climate change has become a global consensus.

As an environmental protection and renewable energy enterprise, the Group deeply recognises the risks and opportunities brought to us by climate change and is committed to integrating climate-related factors into business decision-making, thereby delivering maximum value to stakeholders such as customers, investors, employees, and the communities in which we operate. The Group has commenced work under the TCFD framework and adopted various measures to mitigate and adapt to climate-related risks. To continuously enhance the Group's capabilities in climate governance and risk management, the Group continued to strengthen the identification, assessment, and response to climate risks during the Reporting Year, further enhancing the disclosure of climate-related risk information. The Group is dedicated to building a robust and sustainable business model to address the challenges brought about by global climate change.

01 Governance

The Group attaches great importance to climate governance. As the highest decision-making and supervisory body, the Board takes full responsibility for the strategy formulation and advancement of climate-related matters, and ensures that climate actions are aligned with the Group's overall strategy. The Board is also responsible for identifying the sustainability risks and opportunities faced by the Group (including climate-related risks and opportunities), formulating corresponding management approaches, and supervising the effectiveness of such implementation. The Board bears ultimate responsibility for the formulation, implementation, and reporting of the Group's climate response strategies.

The Sustainability Committee is specifically responsible for coordinating climate change-related matters, including identifying, assessing, and managing climate-related risks and opportunities, promoting the implementation of low-carbon transition targets, and holding regular meetings and reporting work progress to the Board. To ensure the smooth execution of climate policy and measures across various departments and business segments, a Sustainability Working Group has been established under the Sustainability Committee. Composed of professionals from various departments, the Sustainability Working Group is responsible for implementing the Group's ESG matters and guiding executing departments to take action to mitigate climate threats.

For details regarding the roles and division of labour of the Board, the Sustainability Committee, and the Sustainability Working Group in supervising ESG and climate-related matters, please refer to the "Sustainability Governance" section on pages 10 to 12 of this Report.

Building on the aforementioned governance structure, to further strengthen the Group's capability to address climate change, we formulated and published the [Climate Change Policy](#) during the Reporting Year as the core guideline for the Group's climate actions. This policy clarifies the Group's overall approach and action principles regarding enhancing climate resilience, promoting low-carbon transition, and strengthening the transparency of climate-related information disclosure. This policy was reviewed and approved by the Board and is overseen by the Sustainability Committee to ensure it is implemented across all business units and operational levels, supporting the Group in moving towards long-term sustainable development goals.

Effective climate governance relies not only on sound systems and policies but also requires a team with corresponding professional capabilities to drive implementation. To this end, during the Reporting Year, the Group continued to strengthen capacity building for climate risk and carbon management. We provided systematic training for management and members of the Sustainability Working Group to deepen their understanding of climate risks and GHG accounting, and to enhance their ability to effectively respond to climate challenges and promote low-carbon transition in daily operations and strategic decision-making.

Training on Climate Risk and Carbon Management Capacity Building

The Group provided training to the risk management, finance, and operational management teams on the climate-related financial impact assessment and quantification, with a total of 200 employees participating. The training content covered relevant policy backgrounds, climate-related financial impact assessment, disclosure case analysis and disclosure suggestions. During this training, Chairman Dr. Zhu Fugang visited the training site to deliver mobilisation remarks, and the Chief Financial Officer took the lead in organising and attending the training, thereby strengthening senior management's understanding and decision-making capabilities regarding climate risks.



To actively respond to the national "Dual Carbon" goals, the Group conducted a 3-day training session on GHG management-related standards. This aimed to improve the Group's GHG management level, accelerate the green and low-carbon transition, and continuously strengthen employees' professional capabilities and long-term competitiveness. This training focused on practical application, covering: (1) basic professional knowledge of GHG management; (2) organisational-level carbon emission accounting and reporting (ISO 14064-1) as well as project-level methodology and case analysis (ISO 14064-2); and (3) a basic introduction to the Science Based Targets initiative (SBTi), product carbon footprint verification, and carbon neutrality certification standards. A total of 30 employees participated in this training. Upon completion, participants who met the attendance requirements and passed the exam were awarded training certificates issued by professional institutions. This training not only significantly improved the capabilities of the Group's internal professional team for carbon management but also laid a solid talent foundation for subsequent carbon footprint verification, science-based target setting, and carbon neutrality roadmaps.



In March 2025, the Group held the first authoritative expert lecture of the "Frontier Insights" series, themed "Resource Utilisation of Biomass Waste (Bio-natural Gas)". We specially invited Dr. Li Dong from the Chengdu Institute of Biology, Chinese Academy of Sciences, as the keynote speaker, attracting nearly 150 participants including Directors, management, and employees. The lecture provided an in-depth analysis of the latest technological advancements and industrialisation paths of biomass energy. This not only enhanced employees' understanding of frontier knowledge and technologies in fields such as new energy and low carbon but also assists the Group in grasping industry development trends, seizing market opportunities, and contributing to our transformation and development.



02 Strategy

The Group is committed to identifying and assessing risks and opportunities related to climate change in order to formulate effective response strategies to mitigate and adapt to the impacts of climate change. In accordance with the TCFD recommendations, we classify climate-related risks into physical risks and transition risks. Physical risks refer to the substantive impacts related to climate change faced by the business and/or supply chain, divided into acute and chronic risks; whereas transition risks refer to the risks brought to business operations by relevant adjustments in regulatory rules and the market during the transition to a low-carbon economy and the mitigation and adaptation to climate change.

Identification and Prioritisation of Climate-related Risks and Opportunities

The Group identified and assessed its material climate-related risks and opportunities through in-depth discussions during climate risk workshops with representatives from various departments, referencing material climate risks and opportunities faced by industry peers as well as TCFD recommendations. The identification and assessment of climate-related risks focused on covering the Group's major businesses, such as integrated biomass utilisation and hazardous and solid waste treatment, taking into account not only the impact of climate change on business operations but also its impact on key segments in the upstream and downstream of the value chain.

The Group has identified material climate-related risks and opportunities across short-term (0-3 years), medium-term (3-5 years), and long-term (over 5 years). For the identified material climate-related risks and opportunities, we have scored and prioritised them based on their magnitude of impact and likelihood of occurrence.

Key Physical Risks

Physical risks arise from extreme weather events (acute risks) or long-term impacts of climate change (chronic risks). Following a risk assessment, the Group has identified the following physical risks with a material impact on our business:

Risk Factor	Risk Description	Value Chain Impact	Timeframe	Financial Impact Aspects	Our Strategy
Acute The frequency and severity of extreme weather events, such as typhoons, heavy rain, and coastal flood, are continuously increasing	Impacting project operations in certain coastal areas, causing equipment damage or business interruption, thereby reducing revenue and increasing maintenance costs	Operation	Medium- to Long-term	- Revenue - Asset - Cost	- Reviewing and improving the design and operation of existing assets to enhance the waterproof performance of buildings - Developing emergency plans for natural disasters/extreme weather events, conducting timely training and emergency drills, and maintaining adequate reserves of emergency supplies
	- Reducing crop yields or causing total crop failure, leading to deteriorated quality and reduced supply of biomass fuel, ultimately increasing unit procurement costs - Disrupting transportation for biomass fuel/hazardous and solid waste due to persistent extreme weather, causing supply chain interruptions and increasing unit procurement costs	Upstream	Medium- to Long-term	Revenue	- Optimising regional dispatching to maintain sufficient biomass fuel inventory and timely adjusting procurement policies - Optimising biomass fuel structure and blending ratios, and increasing the procurement of weather-resilient biomass fuel categories

Risk Factor	Risk Description	Value Chain Impact	Timeframe	Financial Impact Aspects	Our Strategy
Chronic Average temperature rise and increased frequency of extreme heat	- Leading to increased water withdrawal and electricity consumption for water intake, resulting in higher operational costs - Necessitating additional cooling equipment to ensure stable unit operation, thereby increasing electricity consumption and operational costs - Causing potential safety and health risks to employees	Operation	Medium- to Long-term	Cost	- Optimising unit operations to enhance energy utilisation efficiency - Controlling the duration of outdoor work and suspending operations when necessary - Providing high-temperature allowances and distributing heatstroke prevention kits to on-site personnel
	High temperatures may strain the power grid, leading local governments to implement power rationing. This forces enterprises to reduce or suspend production for peak shifting, causing a decline in waste generation and intake volumes, ultimately increasing operational costs	Downstream	Medium- to Long-term	- Revenue - Cost	- Implementing off-peak production by shifting energy-intensive processes to off-peak hours - Strengthening energy conservation management and activating backup power supplies to safeguard the operation of critical equipment
Chronic Water stress	Increasing water tariffs and operational costs in high water-stress areas, while also impacting the efficiency of cooling equipment	Operation	Long-term	Cost	- Developing and utilising diverse water sources, such as industrial park wastewater, to reduce freshwater withdrawal - Committing to water conservation throughout the project's full lifecycle
	Reducing crop yields due to water shortages or drought, leading to an insufficient supply of biomass and increasing unit procurement costs	Upstream	Medium- to Long-term	Cost	Optimising regional dispatching to maintain sufficient biomass fuel inventory and timely adjusting procurement policies
Chronic Precipitation Stress	Disrupting the harvesting and transportation of biomass due to intense rainfall, causing increased moisture content that impacts unit procurement costs and combustion efficiency	Upstream	Medium- to Long-term	Cost	Optimising regional dispatching to maintain sufficient biomass fuel inventory and timely adjusting procurement policies

Key Transition Risks and Opportunities

Transition risks refer to the risks that businesses encounter as a result of changes in policies, legislation, technologies, and market dynamics during the societal shift towards a low-carbon economy. Driven by China's "Dual Carbon" goals and supporting policies, the release of new regulations, the introduction of low-carbon technologies, and shifts in market demand can also create new opportunities. The Group has identified the following key transition risks and opportunities:

Risk Factor	Risk Description	Value Chain Impact	Timeframe	Financial Impact Aspects	Our Strategy
Policy and Legal Stricter policies and regulatory measures based on low-carbon and environmental themes	- Facing increased operating expenses, particularly compliance costs, arising from applicable mandatory GHG emissions and climate reporting regulations - Failure to fully comply with disclosure requirements (e.g., raw material sourcing) could damage the Group's reputation and financing capability, thereby negatively impacting access to capital, investors, and partners - Tightened policies leading to stricter emission standards, necessitating increased capital investment for compliance and subsequently driving up operational costs - Potential introduction of new government policies on machinery energy efficiency, leading to the premature retirement of non-compliant equipment	Operation	Short- to Medium-term	- Revenue - Asset - Cost	- Tracking the developments in low-carbon laws and regulations, and integrating them into the risk assessment process - Strengthening supplier collaboration to ensure the sustainability of raw materials - Proactively planning and investing in new equipment with higher energy efficiency
	- Policy tightening restricting forestry development and reducing the supply of grey culms, resulting in revenue decline and increased unit procurement costs - Increasingly strict standards restricting the acceptance capacity of flexible landfills for hazardous waste, leading to reduced volumes, decreased revenue, and higher unit costs - Shifts in waste reduction and management policies across provinces are reducing solid waste feedstock availability, leading to fewer orders and declining revenue	Upstream	Short- to Medium-term	- Cost - Revenue	Promoting hazardous waste utilisation to enhance resource efficiency, and reducing reliance on conventional incineration and landfilling

Risk Factor	Risk Description	Value Chain Impact	Timeframe	Financial Impact Aspects	Our Strategy
Policy and Legal Introduction of carbon pricing mechanisms and deregulation of carbon trading markets	Potential rise in operational costs for hazardous and solid waste projects due to carbon emissions, should the government introduce carbon pricing policies	Operation	Medium-term	Revenue	- Closely monitoring policy changes, building carbon management capabilities, and developing professional talent - Strengthening carbon reduction measures and leveraging the carbon trading market to reduce carbon costs
Technology Continuous technological improvement and transition to low-carbon technologies	- Failure to transition to lower-emission solutions to meet decarbonisation targets (if applicable) could inevitably weaken market competitiveness in the context of climate change - Adopting new technologies requires substantial R&D investment with uncertain short-term cost recovery, potentially impacting revenue and increasing costs	Operation	Medium- to Long-term	- Cost - Revenue	- Exploring multiple technological pathways to diversify R&D risks and enhance the likelihood of success - Adopting a phased implementation strategy by testing new technologies in pilot projects, followed by effectiveness evaluation prior to large-scale deployment
Market Market sentiment shifts and customer preferences	- Market shift towards hazardous waste resource utilisation driven by stricter policies (e.g., zero-to-landfill). If the Group fails to timely adapt to market shifts, it could result in a reduction in hazardous and solid waste treatment volumes and a shrinking market share - Some companies may cease operations and dismantle facilities due to shifts in market sentiment, resulting in overcapacity and reduced waste supply in the hazardous and solid waste treatment market. This could trigger cut-throat competition, leading to decreased profitability	Operation	Medium-term	Revenue	Exploring pathways for resource utilisation and intensified transformation, while strengthening technological innovation to enhance competitiveness

Opportunity Factor	Opportunity Description	Value Chain Impact	Timeframe	Financial Impact Aspects	Our Strategy
Policy and Legal Introduction of carbon pricing mechanisms and deregulation of carbon trading markets	Electricity and heat produced from integrated biomass utilisation projects are considered as net negative carbon emissions. Should China's national Emissions Trading System (ETS) expand to cover the biomass power sector, the Group is positioned to engage in CCER trading, thereby generating additional revenue	Operation	Medium-term	Revenue	Cultivating talent in carbon asset management to seize opportunities in the carbon market
Market Market sentiment shifts and customer preferences	- To achieve a low-carbon transition, future customer and market preferences may shift towards cleaner "green electricity" and heating solutions, leading to increased demand and revenue growth - Developing low-carbon smart energy businesses and products to create new drivers for revenue growth - ESG investment opportunities arising from climate change contribute to enhancing asset value	Operation	Medium- to Long-term	- Revenue - Asset	- Maintaining a stable supply to enhance brand competitiveness and meet downstream commercial clients' emissions reduction needs - Exploring pathways for the synergistic development of conventional biomass power and emerging clean energy sources - Developing zero-carbon industrial parks and virtual power plant businesses facilitate the transition towards integrated energy services and generate new revenue streams
Market Global energy transition and increased renewable energy capacity targets	Acceleration of the energy transition in China and overseas, coupled with global pledges to multiply renewable energy capacity, creating substantial market growth and investment opportunities for the Group's expansion of solar energy and wind power assets	Operation	Medium- to Long-term	- Revenue - Asset	- Actively seeking investment opportunities in high-quality solar energy and wind power projects - Aligning with the "Belt and Road" green development policies and prudently expanding into high-potential overseas regions to achieve geographical diversification of the asset portfolio

Climate Risk Assessment and Financial Impact Analysis

To identify the potential impact of climate change on the Group's asset portfolio, the Group conducted scenario analysis using climate scenarios published by internationally recognised institutions, such as the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA), and corresponding response strategies were formulated based on the analysis results.

During the Reporting Year, the scope of scenario analysis was expanded to cover all projects under the Group's operational control. Considering that the concession periods for most projects range between 20 and 30 years, the Group selected 2030 and 2050 as key assessment years to align with the full lifecycle of the assets.

Selection of Climate Scenarios

To further enhance the prudence and accuracy of the climate risk assessment, and to ensure consistency with the risk management framework of the parent company, CEEGL, the Group optimised and adjusted the selection of physical climate scenarios during the Reporting Year.

Risk Type	Scenario Selected ⁶	Source of Scenario	Description
Physical Risk	SSP2-4.5	IPCC	This scenario represents an intermediate emissions pathway following current trends, assuming that countries adopt moderate climate mitigation measures but fall short of the most ambitious net-zero targets. GHG emissions are projected to peak around the mid-21st century before beginning a slow decline.
	SSP5-8.5	IPCC	This scenario represents an extreme "worst-case" or high-emissions pathway. It assumes rapid global economic growth driven by reliance on fossil fuels, coupled with a lack of effective climate policy intervention, resulting in a continuous and significant rise in GHG emissions throughout the 21st century.
Transition Risk	Announced Pledges Scenario (APS)	IEA	This scenario takes into account all climate commitments made by governments and industries worldwide, including Nationally Determined Contributions (NDCs) and long-term net-zero targets. It assumes that all governments will fully implement their climate pledges on time and in full.
	Stated Policies Scenario (STEPS)	IEA	This scenario focuses on the development of the energy system based on existing policies and measures, as well as those currently under development. It projects the potential trajectory in the absence of additional policy implementation in the future.

⁶ Compared to the previously used SSP1-2.6 (low emission scenario), the adoption of SSP2-4.5 (intermediate emission scenario) more pragmatically reflects the climate pressures the Group's assets may face in the event that aggressive emission reduction targets are not fully achieved, thereby avoiding the underestimation of potential financial loss risks.

Scenario Assumptions/ Parameters	SSP2-4.5	SSP5-8.5
Global Average Temperature Rise	May reach 1.5°C by 2040, 2.0°C by 2060, and 2.7°C by 2100	May reach 1.6°C by 2040, 2.4°C by 2060, and 4.4°C by 2100
Global Mean Sea Level Rise	May reach 0.76 m by 2100	May reach 1.01 m by 2100
China Average Temperature Rise	Projected to rise by approximately 1.6°C-3.0°C by 2100. The magnitude of warming in western and northern regions is greater than in eastern and southern regions	Projected to rise by approximately 5.0°C by 2100. Significant warming is expected in high-latitude and high-altitude regions (Northeast, Northwest, Central, and Southwest China)
China Precipitation Trends	Summer precipitation in the East Asian monsoon region is projected to increase by 12.6-14.3%. The rain belt will shift slightly northward, alleviating drought conditions in the north, but the frequency of extreme rainstorms will increase.	Summer precipitation in the East Asian monsoon region will increase by 16.5-18.1%. The rain belt will shift significantly northward, leading to a surge in rainfall in North and Northeast China, expanding flood risks from the south to the north.
China Coastal Sea Level Rise	May reach 0.59 m by 2100	May reach 0.83 m by 2100
Climate Scenario Parameter Database	World Wildlife Fund (WWF) Risk Filter Suite, literature review, and CMIP6 datasets	

Scenario Assumptions/ Parameters	APS	STEPS
Carbon Price	Medium carbon price scenario. Projected carbon price is USD 40 per tonne of CO ₂ in 2030, increasing to USD 160 per tonne of CO ₂ by 2050	Low carbon price scenario. Projected carbon price is USD 39 per tonne of CO ₂ in 2030, increasing to USD 52 per tonne of CO ₂ by 2050
Changes in Population and Employment	Global employment in the energy sector is projected to rise from 65 million in 2021 to 80 million by 2030. Growth is mainly concentrated in the clean energy industry	Employment in clean energy increases, while employment in fossil fuels decreases. The energy sector as a whole will see net employment growth
Energy Demand and Mix	Energy demand gradually shifts from fossil fuels to clean renewable energy	
Macro-Economic Factors	All IEA scenarios assume the same macroeconomic backdrop. It does not cover the feedback loops between climate action, climate change, and economic growth; it assumes GDP will grow over time, but at a slower rate	
Policy and Legal	No major new technological breakthroughs are expected in the future, but technology will continue to improve. This includes infrastructure for transporting energy products (e.g., smart grids), and storage technologies for energy extraction, production, and conversion, among others	
Climate Scenario Parameter Database	IEA's <i>World Energy Outlook 2025</i>	

Physical Risk Climate Scenario Analysis

During the Reporting Year, we further expanded the scope of our physical risk screening by incorporating additional risk types, such as typhoons and precipitation stress, into the assessment. This analysis is based on climate change trend assumptions and utilises the number of affected projects and operational sensitivity as the basis for determining risk levels.

Regarding the identified major physical risks, the Group referenced analysis results from the WWF Risk Filter Suite, authoritative public literature, and scientific databases to preliminarily identify the geo-climatic characteristics of our asset locations. On this basis, we further integrated historical operational records, history of disaster impact, internal surveys, and existing emergency response measures for each project to conduct a comprehensive risk exposure screening for potential physical risks. We use the 2025 project portfolio as the baseline and assume that the Group's future business scale and geographical distribution will remain constant, thereby focusing on assessing the potential impact of climate variables on our existing assets.

Risk Type	Physical Risk Exposure Screening			
	2030		2050	
	SSP2-4.5	SSP5-8.5	SSP2-4.5	SSP5-8.5
 Cyclone				
 Flood				
 Extreme Heat				
 Water Stress				
 Precipitation Stress				

Low Risk	Medium Risk	Medium-High Risk	High Risk
<15% of projects are likely to be affected	15-45% of projects are likely to be affected	46-75% of projects are likely to be affected	>75% of projects are likely to be affected

Based on the comprehensive analysis above, combined with the evolution trends of future climate scenarios, we have identified typhoons, extreme heat, and water stress as the key physical risk types requiring the Group's priority attention, as their potential long-term impacts are significant.

Under the extreme assumptions of SSP5-8.5 scenario



With the increase in storm intensity caused by global warming, it is projected that by 2050, approximately **28%** of our projects will face high typhoon risks. Among these, a small portion of coastal projects are simultaneously exposed to the risk of seawater inundation caused by storm surges.



Extreme heat is the most widespread chronic risk faced by the Group. It is projected that by 2050, approximately **55%** of our projects will be located in areas prone to frequent extreme heat, which may impact employee health, energy consumption, and facility operations.



Water scarcity presents a long-term trend. It is projected that by 2050, approximately **35%** of our projects will be located in areas with high water stress. Accompanied by rising temperatures, these projects may face future challenges such as rising water withdrawal costs and operational disruptions.

During the Reporting Year, the Group compiled statistics on actual extreme weather events occurring across all projects and their financial implications to reflect the current financial effects of climate-related risks. Thanks to the Group's robust emergency response mechanisms and engineering quality controls, although certain projects were affected by typhoons and rainstorms, no significant asset damage or prolonged operational shutdowns occurred, demonstrating the Group's climate resilience.

Current Financial Effects

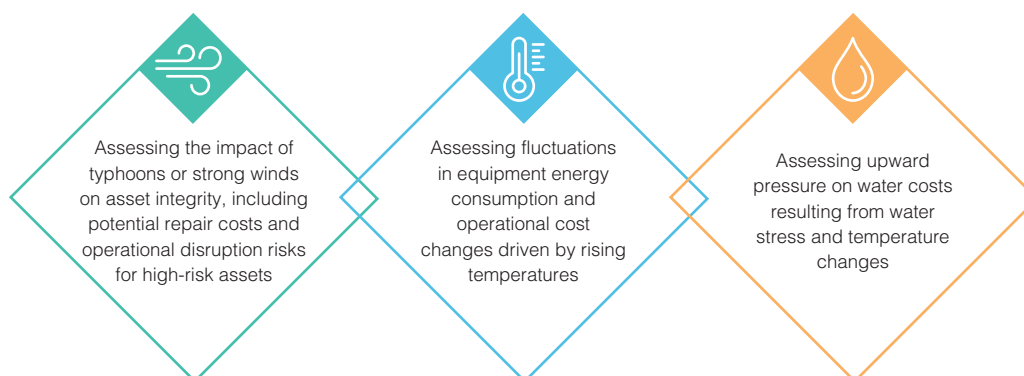
In 2025, the financial effects of extreme weather events on the Group's financial performance amounted to approximately RMB **89,800**. The overall financial effects were minor and controllable. The breakdown of expenditures is as follows:

- **Asset repair expenditures:** incurred for repairing damage to landfill membranes caused by typhoons and minor damage to solar energy equipment;
- **Preventive investments:** incurred for purchasing flood control supplies (e.g., sandbags), heatstroke prevention and cooling equipment (e.g., ice machines), and reinforcing cofferdams.



The aforementioned expenditure amounts have been included in "Direct Costs and Operating Expenses" in the Group's 2025 financial statements and did not constitute a material impact on the Group's asset value, cash flow, or overall operating performance.

Although the current financial effects are minor, considering that physical risk exposure will gradually increase under future climate scenarios, the Group officially initiated the quantitative analysis of anticipated financial effects with a professional consultancy during the Reporting Year. The quantitative analysis focuses on the potential impact of 3 key physical risks (typhoons, extreme heat, and water stress) on the Group's own operational financial performance:



This quantitative analysis aims to translate climate risks into specific financial metrics (such as the percentage impact on EBITDA or operating costs) to verify the materiality of the risks. Detailed information and analysis results are planned to be disclosed in future sustainability reports.

Transition Risk Climate Scenario Analysis

For the analysis of transition risk climate scenarios, the Group adopted two climate scenarios from the World Energy Outlook 2024 published by the IEA, namely the "Announced Pledges Scenario" (APS) and the "Stated Policies Scenario" (STEPS), to identify the impacts of key transition risks and opportunities on the Group.

The table below summarises the key transition risks and opportunities faced by the Group under the two scenarios and their potential degree of impact.

Negative Impact			Two-Way	Positive Impact		
High	Medium	Low	Neutral	Low	Medium	High
Category	Description of Key Risks/Opportunities			APS	STEPS	
Policy and Legal	Carbon Pricing Mechanisms					
	Increased Compliance Costs					
	"Zero Waste to Landfill" Policy Pressure					
	Raw Material Supply Fluctuations					
Technology	Transition to Lower-Emission Technologies					
	Technological Breakthroughs in Low-Carbon Transition Investment					
Market	Growth in Demand for Clean Energy					
	Pressure for Resource Utilisation Transition					
	Lower Financing Costs due to ESG Business Advantages					

Under the APS, the Group will face the most severe policy pressure. “Zero Waste to Landfill” policies may be rolled out nationwide, significantly shrinking the market for traditional hazardous and solid waste landfill businesses. High carbon prices, strict emission standards, and fluctuations in raw material prices will directly drive up operating costs, and gross profit margins are expected to face significant fluctuations. However, this aggressive transition also brings substantial market opportunities. Driven by strong market demand for green power, integrated biomass utilisation projects will become the core engine of the Group’s growth. The net-negative carbon characteristics of biomass power generation and the value of CCER assets will offset the rise in compliance costs. Meanwhile, robust market demand for solar energy, wind power, and recycled products will also create new profit growth opportunities for the Group. The Group will also have the opportunity to attract more ESG investors and lower financing costs.

Under the STEPS, the Group’s decarbonisation efforts will proceed according to existing policies and targets, meaning the scale of decarbonisation R&D and investment will be relatively smaller compared to the APS. Concurrently, due to the slower pace of policy changes, policies such as “Zero Waste to Landfill” will likely only be implemented in existing regions rather than expanding nationwide. Consequently, the risk of market contraction faced by the hazardous and solid waste treatment and landfill business will be relatively smaller, and the business impact is milder than in the APS. Growth in market demand for low-carbon products will be more moderate. In this context, revenue growth from integrated biomass utilisation projects and other projects will be lower than in the APS. Under this scenario, the Group’s cash flow will be relatively more stable.

Current Financial Effects

During the Reporting Year, the Group incurred no fines for environmental non-compliance or carbon tax expenditures. Regarding transition risks arising from shifts in market preferences and low-carbon technological innovations, the Group assesses their impact to be long-term and gradual. Consequently, transition risks have not yet imposed financial pressure on the Group in 2025, nor have they had a material impact on asset values or cash flows.

Climate transition risks and opportunities coexist, and proactive transition is the only pathway to mitigate risks and secure business growth. The Group has formulated a specific low-carbon transition strategy, aiming to ensure the Group can seize climate-related opportunities while enhancing risk resilience through expanding the clean energy layout, promoting high-value development of the integrated biomass utilisation business, and strengthening technological innovation.

Climate-related Risk Mitigation Measures

The Group believes that taking proactive steps to mitigate and adapt to potential climate risks, such as extreme weather events and rising global temperatures, is conducive to enhancing our business resilience and better withstanding climate-related impacts. The Group plans to address climate-related risks and opportunities across various aspects, including policies, procedures, products, and services, integrating them into our business strategies and objectives. We aim to strengthen the Group’s climate resilience, minimising the adverse long-term impacts of climate-related risks on our business as much as possible, while contributing to the global response to climate change.

The Group’s climate mitigation strategy covers three phases:

Short-term

Emergency Response and Daily Operations Assurance

Responding to Extreme Weather Events

Medium-term

Business Resilience Enhancement

Optimising Project Operations and Resource Supply Stability

Long-term

Transition Strategy

Promoting Low-Carbon Technological Innovation and Business Structure Optimisation

Short-Term Climate Mitigation Strategy

Emergency Response System

The Group has established a robust emergency management system to ensure swift and effective response when natural disasters occur. We require subsidiary project companies to formulate emergency response plans tailored to local realities based on national laws and regulations, business characteristics, local geological and climatic conditions, and local government safety production management requirements, and to clarify emergency handling procedures. Each year, we require project companies to make advance preparations, including typhoon prevention, flood control, summer peak load response, and winter cold protection measures. Meanwhile, we conduct specialised safety inspections, increase patrol frequency, and strengthen facility protection.

To ensure the effectiveness and timeliness of the emergency response plans, we have established a “Four-in-One” management mechanism:

- **Regular Review and Update of Plans:** Periodically review and update emergency response plans based on actual conditions, strengthen dynamic management, and establish a plan filing and review system to ensure plan content is revised and perfected based on review results and actual situations.
- **Emergency Supplies Assurance:** Establish a ledger for emergency supplies, strengthen the maintenance and management of emergency supplies and equipment, and ensure the smooth conduct of reserving, replenishing, and emergency allocation and distribution of key emergency supplies.
- **Emergency Drills and Capability Enhancement:** Develop and conduct drills for scenarios like flood, fire, and extreme weather to enhance employee skills in prevention and response. Keep proper records of emergency drills.
- **Assessment and Supervision:** Establish assessment criteria and conduct regular inspections to ensure effective implementation of emergency measures.

Preventive Maintenance Plan

The Group has implemented a comprehensive preventive maintenance plan for critical systems, conducting routine repairs and maintenance to reduce the occurrence of failures and increase operational uptime, so as to maintain the normal operation of infrastructure under the impact of climate change. The preventive maintenance plan allows project companies to take measures to avoid issues before they arise, or to timely control the scope of impact and mitigate negative effects after issues occur.

Insurance for Climate-Related Risks

The Group has secured insurance coverage for natural disaster risks related to climate change, including lightning, rainstorms, floods, storms, tornadoes, hail, typhoons, hurricanes, sandstorms, blizzards, landslides, collapse, debris flows, ground subsidence, and other natural disasters. The insurance covers compensation for damage to projects, business interruption, and worker health, etc.

Climate Adaptive Operations

To enhance climate adaptability and ensure stable supply of our projects, the Group is gradually implementing the following measures:

- **Weather Warning and Personnel Training:** Strengthen the monitoring and dissemination of weather warnings, and provide training for all employees to ensure they are aware of potential climate-related impacts.
- **Employee Health and Safety Assurance:** Provide heatstroke prevention and cooling supplies, establish rest areas equipped with air conditioning and fans, extend lunch breaks, and avoid prolonged outdoor work during peak heat periods. In cold winter weather, install heating systems to ensure personnel well-being and the normal operation of equipment.
- **Seasonal Operational Planning:** Strengthen operational safety during summer and winter, and arrange transportation plans in advance to reduce the probability and impact of risk events. Some projects require anti-freezing and insulation measures for pipelines in winter, and the addition of circulating water pumps and axial-flow fans to cool equipment in summer.
- **Infrastructure Protection:** Apply protective covering to slopes within and near the plant area to prevent landslides caused by soil erosion. Some projects shall install rainwater collection wells, drainage facilities, and high-power diesel generators. Timely clear drainage channels inside and outside the plant to prevent excessive rainfall from obstructing traffic.
- **Resource Management Optimisation:** Committed to conserving water and energy throughout the project lifecycle, vigorously promoting reclaimed water reuse and rainwater collection to reduce freshwater consumption. Install distributed solar energy in projects with suitable site conditions to optimise the energy structure. For specific measures, please refer to the “Green Recycling” chapter on pages 72 to 104 of this Report.

Medium-Term Climate Mitigation Strategy

Enhancing the Stable Supply of Biomass Fuel

In response to the impacts of climate change on the supply of biomass fuel, the Group has implemented a range of proactive measures to ensure the stability and reliability of fuel supply.

Localisation and Regional Coordination

- Persist in a localised fuel supply strategy in areas where conditions permit, aiming to reduce procurement costs and stabilise supply. In cases of insufficient fuel supply, implement coordinated fuel allocation and inventory sharing among nearby projects based on stock and demand, so as to stabilise the overall operational performance of biomass projects.

Optimising Biomass Fuel Structure and Quality Management

- Optimise the fuel mix and blending ratios, by procuring more types that are less affected by weather to mitigate the impacts of climate change on supply.
- Expand procurement regions and increase the variety of biomass sourced.
- Strengthen the scientific and standardised management of biomass fuel storage, conducting random inspections and inventory checks to identify and promptly rectify any issues.

Fuel Storage and Emergency Preparedness

- Maintain sufficient fuel stocks and adjust procurement policies in a timely manner.
- Some project sites are equipped with crushers to allow for flexible fuel usage arrangements during extreme weather conditions.
- Prioritise the storage of wood fuel to cope with weather variations.
- Formulate an *Annual Biomass Fuel Storage Emergency Plan* for each project, conducting annual planning to address the impacts of extreme weather on fuel collection and storage.

Climate Adaptation Measures in Project Design

From early site selection to the design phase, the Group actively explores a series of mid-to-long-term adaptive measures to address physical risks.

Project Site Selection and Climate Considerations

- During the site selection process, locations with adverse hydrometeorological parameters and/or potential extreme weather conditions will be prioritised for exclusion.
- A thorough analysis of the geological and climatic conditions at the project site will be conducted, with critical areas and key equipment elevation adjusted to accommodate climate change.

Flood Control and Drainage System Design

- Flood gates or waterproofing walls will be installed in areas prone to flood to prevent inundation.
- Climate-adaptive drainage designs will be implemented to accommodate higher rainfall intensity and shortened return periods.
- Sponge city design principles will be adopted wherever feasible during project design and construction, integrating flood prevention with landscape enhancement.
- Zero liquid discharge retrofits will be conducted in suitable projects to reduce freshwater consumption.

Green Building and Energy Management

- The impact of climate change on the lifecycle of buildings will be assessed, with a goal to obtain green building certifications for new constructions/infrastructures wherever possible.
- Advanced technologies, such as real-time energy monitoring systems for smart energy management, will be deployed to closely track the energy performance of existing buildings and reduce GHG emissions.

Building Structural Integrity

- To enhance structural stability of project facilities, the design process will incorporate stricter wind pressure coefficients, a broader temperature range, and higher snow load standards.

Transportation Route Planning

- Transport routes will be carefully planned to mitigate the potential disruption of waste and raw material transport caused by climate change.

Low-Carbon Materials and Construction

- Suitable low-carbon materials will be selected for construction.
- Biodiesel will be used in construction machinery and equipment to reduce GHG emissions.

Long-Term Climate Mitigation Strategy

Business Structure Transformation

To address the policy and market transition risks associated with climate change, the Group is actively adjusting its business structure. We are transitioning towards a diversified portfolio of clean energy businesses to seize low-carbon development opportunities under the national “Dual Carbon” strategy.

Expansion of Clean Energy and New Energy Businesses

- Scale up businesses in environmental remediation, solar energy, wind power, energy storage, zero-carbon industrial park construction, and carbon asset trading, aiming to reduce the proportion of carbon-intensive assets and enhance climate resilience and market competitiveness.
- Leveraging advanced information technology, establish a distinct “Virtual Power Plant (VPP) and Power Trade Auxiliary Decision-Making Platform” to enable real-time monitoring and optimised dispatch of distributed energy resources, facilitating deep participation in power market reforms.
- Develop integrated energy supply, consumption, and system services, and explore new business models such as “Wind/Solar/Storage + Hydrogen/Ammonia/Methanol”, computing-power integration, and direct green power connection. Improve energy efficiency and reduce client-side carbon emissions through digital solutions.
- Actively develop carbon asset trading businesses to convert carbon reduction achievements into economic value.

High-Value Transformation of Biomass Business

- Promote the shift of integrated biomass utilisation business from sole power generation to diversified products such as green gas, green hydrogen, and green oil, thereby meeting green energy demands.
- Focus on advancing the commercial application of three core technologies: biomass-based natural gas, sugar, and bio-jet fuel (also known as sustainable aviation fuel).
- Develop markets for products such as biomass ash-based soil conditioners, converting waste into high value-added products to achieve both carbon reduction and efficiency enhancement.



Climate Opportunity Target

By 2030, the total installed capacity of renewable energy projects (including wind, solar, storage, and charging) will reach at least **1,000** MW, and electricity trading volume will exceed **15** billion kWh.

Technological Innovation and R&D Cooperation

The Group regards technological innovation as the core driver of the low-carbon transition. Through continuous R&D investment and deep cooperation with government departments, universities, and research institutions, we provide solid technical support for business transformation. The Group's key research directions for low-carbon transition:

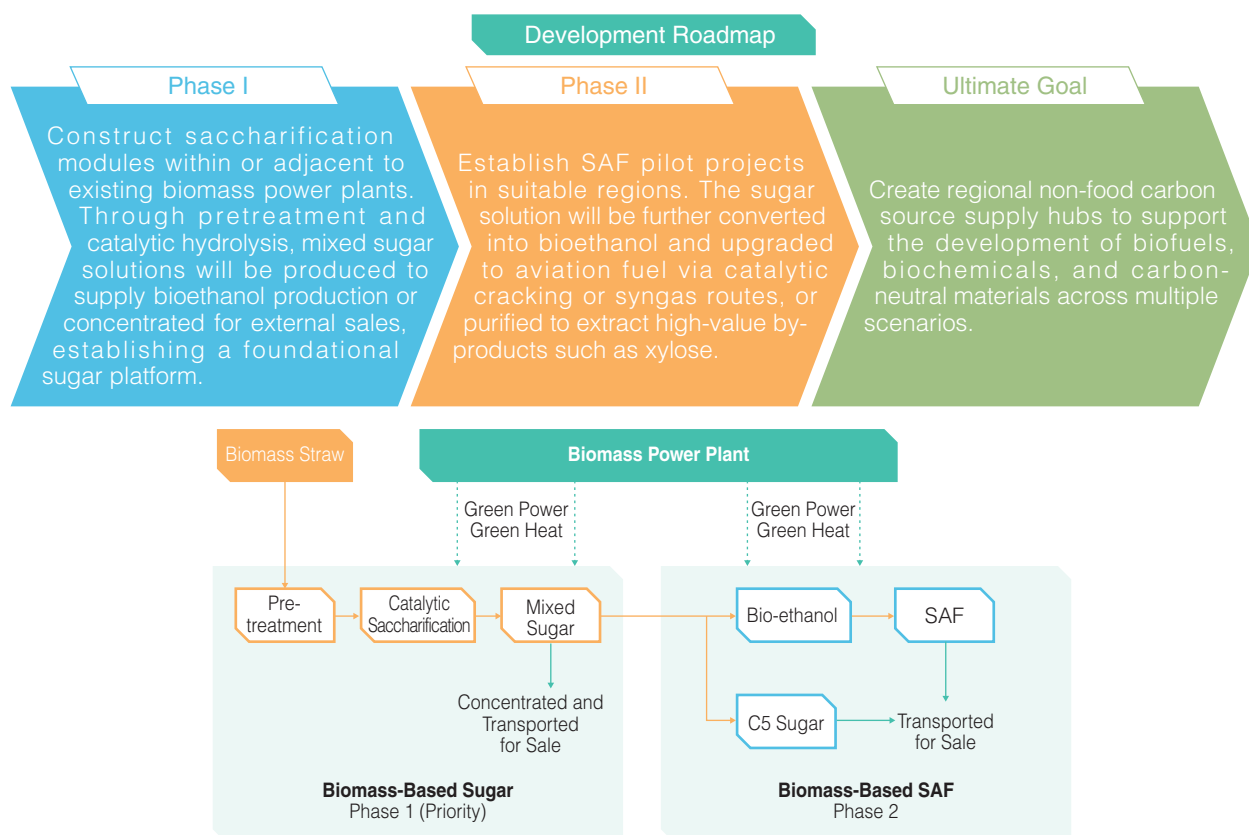
- Biomass gasification coupled combustion technology
- Biomass-based gas, sugar, hydrogen, and protein production technologies
- Biomass ash-based organic fertiliser and soil conditioners technologies
- High-efficiency flue gas denitrification and desulphurisation technology
- AI algorithms for zero-carbon parks and virtual power plant trading
- Carbon capture technology and carbon assets

Climate Transition: The Green Leap from Biomass Power to Biorefining

Under traditional models, biomass power and heat generation rely primarily on direct combustion. This approach yields limited products and efficiency, failing to fully unlock the value potential of biomass feedstocks. The IEA defines “Biorefining” as the sustainable processing of biomass into a spectrum of marketable products and energy. This multi-product, high-value-added model is becoming a critical global transition pathway for moving biomass utilisation from simple “energy generation” to “value creation”.

Driven by the “Dual Carbon” strategy, China’s biomass sector is upgrading from an electricity-centric energy path to a modern biorefining system centred on biofuels and bio-based materials. Notably, during the “14th Five-Year Plan” period, the state explicitly promoted the development of “Non-food Biomass Manufacturing”, emphasising the principle of “Not competing with people for food, nor with land for crops”. In this context, saccharification platform technologies for agricultural waste, such as straw, are becoming the central hub connecting resource supply with low-carbon technology applications.

Seizing the climate opportunities presented by the energy transition, the Group leverages its operational strengths in biomass energy to proactively layout an integrated “Biomass-Based Sugar and Sustainable Aviation Fuel (SAF) Production” value chain. Relying on existing biomass power plants, we are exploring a climate technology implementation path that integrates resources, synergises energy, and reduces carbon emissions. To lower sugar production costs and entry barriers, the Group has innovatively proposed the “Biomass Power Plant Coupled with Sugar Production” model. By utilising the power plant’s feedstock logistics, waste heat, and green electricity, we aim to build a closed-loop “Power-Sugar-Fuel” system, achieving a systemic upgrade from traditional power generation to modern biorefining.



As the core driver of the biorefining value chain, the Group will adopt the “Hyper-Concentrated Acid Two-Step Gradient Hydrolysis” sugar production technology. This technology features high efficiency, low energy consumption, and scalability:

- **Low Energy Hydrolysis:** Compared to traditional enzymatic hydrolysis, the reaction time has been shortened from 24–72 hours to under 2 hours, significantly reducing energy consumption;
- **High Reaction Efficiency:** The conversion rate of straw holocellulose to sugar exceeds 90%;
- **Multi-Scenario Adaptability:** Monosaccharide concentration is adjustable (50–300 g/L), supporting various fermentation and chemical conversion pathways; and
- **Product Flexibility:** Capable of producing monosaccharides, oligosaccharides, and other variants to support a wide range of downstream biorefined products.

We firmly believe that moving from power generation to refining represents a green upgrade of the biomass value chain and serves as a vital step in the Group’s low-carbon transition strategy.

03 Risk Management

Risk management is crucial for the Group's sustainable development. Our risk management framework features a "Three Lines of Defence" model, with the Board and the Audit and Risk Management Committee responsible for the coordination and supervision of risk management activities.

As climate change increasingly impacts business development, climate risk management has been fully integrated into the Group's corporate risk management system. This integration aims to systematically monitor and address the risks the Group may face in the future. With the assistance of the Audit and Risk Management Committee, the Board regularly reviews the identified risk categories and the effectiveness of the internal control systems, providing timely feedback that includes considerations of ESG and climate-related risks.

The Group also maintains a risk register to continually identify key risks and emerging risks at both the corporate and project levels. The Group has conducted a review of all its operating projects to identify climate-related risks and opportunities. Furthermore, using climate scenario analysis as a core tool, we have assessed the potential financial and strategic impacts of key climate risks and opportunities.

For more details on risk management, please refer to the "Sustainability Governance" section on page 10 to 12 of this Report.

04 Metrics and Targets

GHG Emission Metrics and Targets

The "15th Five-Year Plan" period marks a critical stage for China to continuously advance its carbon peaking and carbon neutrality goals, and to accelerate the comprehensive green transformation of its economy and society. To implement the national "Dual Carbon" strategic deployment, the Group officially established a GHG emission target in 2025 with a commitment to achieve peak Scope 1 and 2 GHG emissions by 2029⁷. This carbon peaking target was formulated by the Sustainability Working Group, reviewed by the Sustainability Committee, and officially established following approval by the Board. The target covers all projects within the Group's operational control.



"Carbon Peaking" Target

Total Scope 1 and 2 GHG emissions to peak by 2029

Indicator 1

Total Scope 1 and 2 GHG Emissions

To track overall GHG emission levels and progress toward peaking

Indicator 2

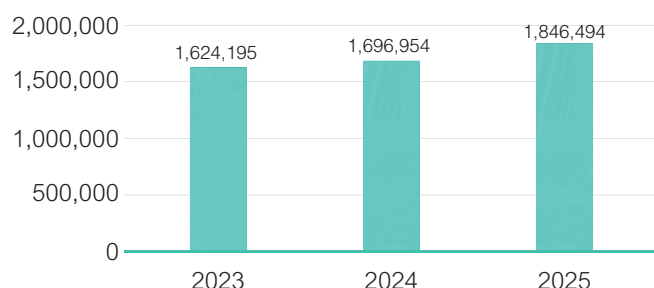
Scope 1 and 2 GHG Emission Intensity (Based on operating revenue)

To assess the alignment between business growth and decarbonisation performance

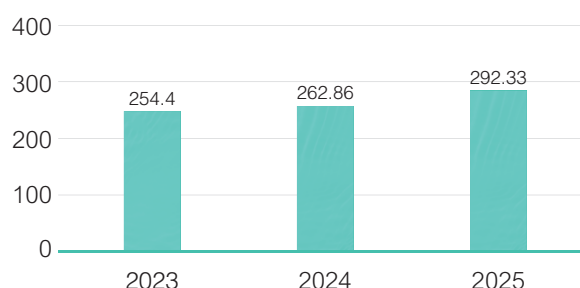
⁷ Measured by the aggregate emissions within a single calendar year.

The Group adopts “Total Scope 1 and Scope 2 GHG Emissions” and “Scope 1 and Scope 2 GHG Emission Intensity (Based on Operating Revenue)” as key management metrics to track progress toward carbon peaking and to assess the alignment between business growth and decarbonisation performance, respectively.

Total Scope 1 and 2 GHG Emissions
(Unit: tCO₂e)



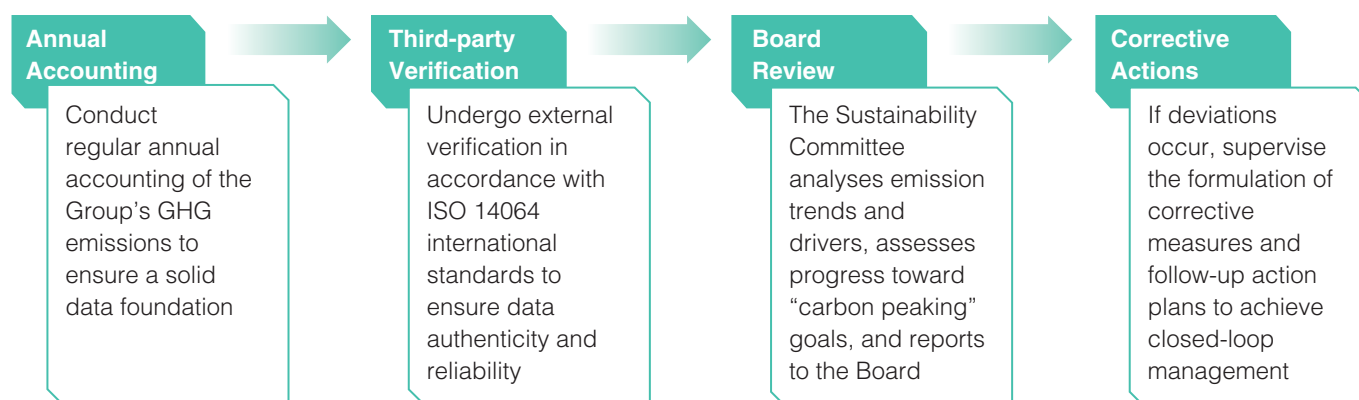
Scope 1 and 2 GHG Emission Intensity
(Unit: tCO₂e / HK\$ million)



Regarding the path to achieving our climate target, the Group plans to focus on the “low-carbon restructuring of our asset portfolio” as the main thread, advancing the optimisation of existing assets and the structural adjustment of incremental business. On one hand, by combining asset emission performance with operational efficiency, we will implement gradual optimisation or decommissioning of certain existing assets with high emissions or lower efficiency to alleviate the pressure on Scope 1 GHG emissions. On the other hand, we will continuously expand new energy businesses such as wind power, solar energy, and energy storage to reduce the Group's overall emission intensity.

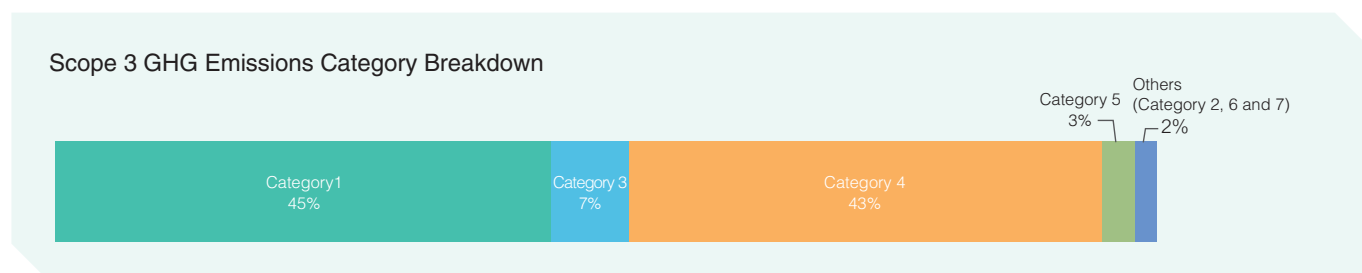
At the same time, the Group is committed to minimising dependence on fossil fuels. By continuously strengthening energy management and enhancing production efficiency, we aim to increase the proportion of new energy and self-generated energy usage, thereby facilitating the realisation of our carbon peaking goals.

To ensure a solid data foundation and keep our carbon peaking target on track, the Group has established a closed-loop management mechanism covering annual accounting, external verification, and senior-level review. The specific process is outlined below:



During the Reporting Year, in addition to setting a carbon peaking target, the Group also further refined its GHG data governance and accounting framework. We have optimised the *ESG Data Collection Guideline* and comprehensively reviewed value chain-related emissions (Scope 3) in accordance with the *GHG Protocol*. On this basis, we expanded the coverage of Scope 3 accounting, extending from the previous focus on upstream transportation and distribution and business travel to cover key categories such as purchased goods and services, capital goods, fuel- and energy-related activities, and employee commuting⁸.

The Group's major Scope 3 GHG emission sources are Category 1: Purchased Goods and Services and Category 4: Upstream Transportation and Distribution, accounting for over 88% of the value chain emissions.



For details regarding the Group's GHG emissions, accounting scope, and methodology, please refer to "Appendix 3: Overview of Key Performance Indicators" and "Appendix 6: GHG Accounting Scope and Methodology" in this Report.

Climate Risk and Opportunity Metrics

To better understand the impact of climate change on operations, we continue to adopt existing climate-related risk management metrics to monitor our progress in managing climate-related risks and opportunities. The Group will continue to disclose and monitor these metrics to assess the effectiveness of adaptation measures across all projects and further refine the Group's risk management procedure.

Metric Type	Metric	Unit	2025
Addressing Physical Climate Risks	Number of forced outage days due to extreme weather	Day	20
	Number of employee sick days due to extreme weather	Day	0
	Number of employee injury days due to extreme weather	Day	0
	Total hours of emergency drills related to climate change	Hour	209
	Area that incorporates flood retention and sponge city design	m ²	757,653
	Expenditures on asset repair and preventative investment	RMB ('000)	89.8
Addressing Transition Climate Risks and Opportunities	R&D expenses on low-carbon/sustainable technologies	RMB ('000)	18,120
	Revenue share from integrated biomass utilisation, solar energy and wind power projects ⁹	%	82

⁸ Other categories are currently excluded from the Scope 3 inventory due to business inapplicability, data constraints, or materiality assessments.

⁹ For details on the specific revenue and net profit of each business segment, please refer to the financial statements in the Company's 2025 Annual Report.

05 Next Steps

Given that the quantitative analysis of the financial impact of climate change involves complex data model construction, scenario assumptions setting, and cross-departmental data integration, the Group is currently actively building relevant internal capabilities and data collection systems. During the Reporting Year, we mainly adopted a quantitative approach to disclose current financial effects, while disclosing anticipated financial effects qualitatively.

In the future, the Group will collaborate closely with our professional consultant to conduct quantitative analysis of the anticipated financial effects, focusing on assessing key physical and transition risks to the Group's assets and supply chain. We aim to gradually provide quantitative data on anticipated financial effects that meet regulatory requirements and possess decision-making value in subsequent reports. We will also continuously review and assess the impacts of climate-related risks and opportunities on the Group to ensure that the management strategies and response measures formulated are sufficient and effective.

Anchored by the "carbon peaking" target established during the Reporting Year, we will comprehensively advance energy conservation and emission reduction initiatives. By breaking down carbon reduction targets, optimising energy management, and introducing low-carbon technologies, we ensure that various carbon reduction measures will be effectively implemented and operational carbon emissions will be strictly controlled, laying a solid foundation for achieving long-term climate goals. In 2026, we will proactively monitor and promote the implementation of CCER methodologies for biomass projects, while enhancing the functionality of our energy-carbon management platform to facilitate our first carbon asset transaction as soon as possible. At the same time, we will accelerate digital transformation by establishing a smart management platform and strengthening the foundation for developing smart factory pilot, leveraging digital technologies to empower the entire operational workflow. In the process of low-carbon transition, we will continuously optimise sustainable development strategies, enhance implementation capabilities, and actively explore and seize business opportunities brought about by the transformation to a low-carbon economy.

To reinforce the effective fulfillment of climate responsibilities, we are actively exploring the integration of key climate metrics into management performance appraisals and remuneration policies. By establishing a long-term incentive mechanism, we aim to deeply align climate goals with management interests, driving full participation in the low-carbon transition from the top down.

Looking ahead, we plan to use solar energy projects as pilots to evaluate the feasibility of adopting internal carbon pricing and incorporate carbon costs or emission reduction benefits into our financial models, serving as a key reference tool for supporting investment decisions and navigating future carbon market dynamics.



SAFE PRODUCTION

The Group places great importance on employee health and safety and is committed to creating a safe and healthy work environment under the principle of “Safety First, Life Above All”. As such, the Group has developed and issued the *Three-Year Action Plan for Fundamental Safety Production Improvements (2024–2026)* to improve the quality of hazard identification and rectification, strengthen accident prevention capabilities, and enhance the safety skills and competencies of all employees through 3 years of in-depth governance and 18 key measures.

During the Reporting Year, with refined management as the core, the Group focused on 6 major directions — “strengthening foundations, benchmark leadership, quality and efficiency improvement, tackling key challenges, coordinated prevention and control, and culture development”. By promoting standardised systems, precise risk control, technology-driven oversight, and full-chain accountability, the Group achieved its goals of zero safety incidents and further improvements in management effectiveness, driving the advancement and upgrading of work safety toward greater excellence.

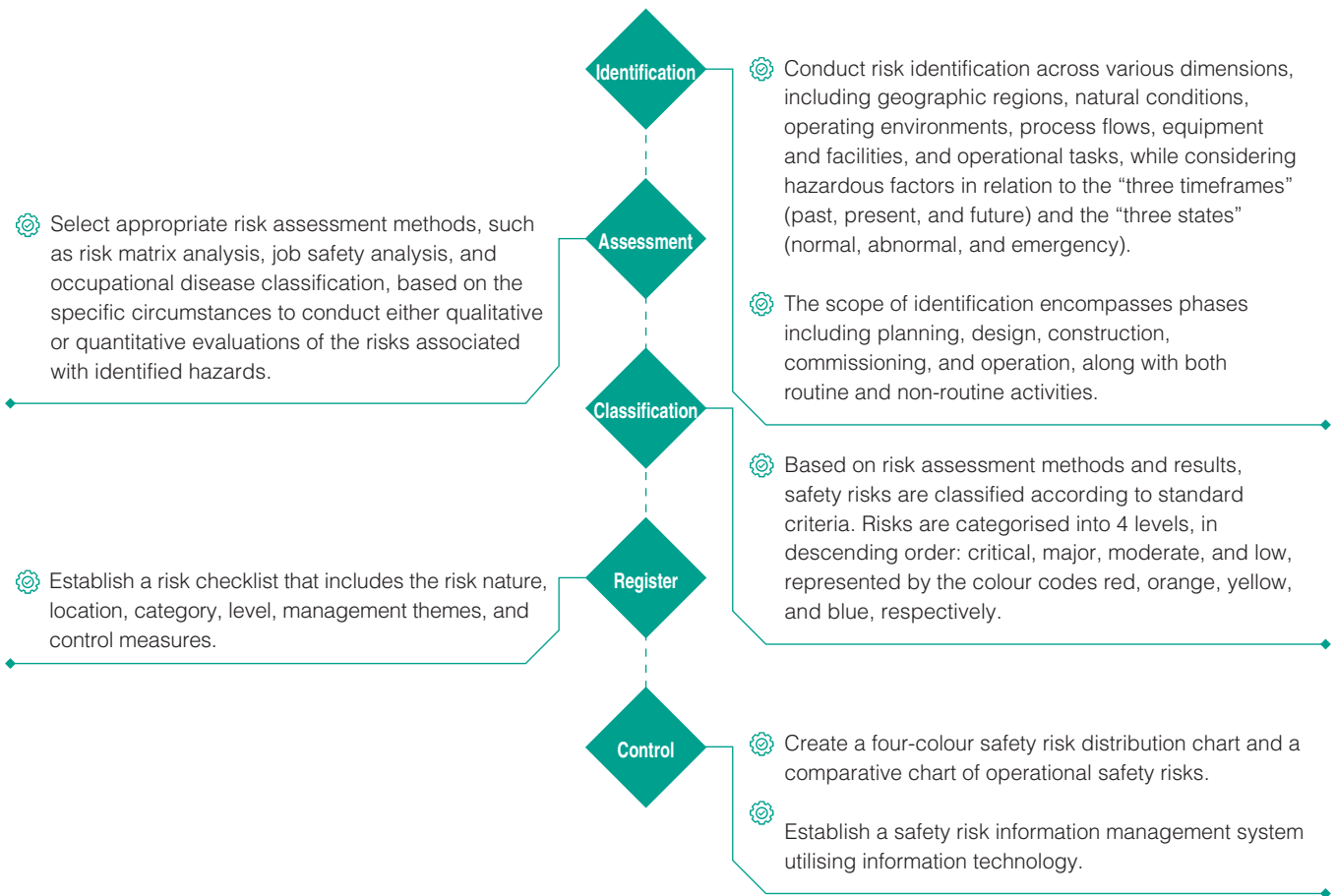
Occupational Health and Safety (“OHS”) Management

To implement the above refined management requirements, the Group continuously improves its occupational health and safety management system. In accordance with relevant national laws and regulations in its operating locations and high industry standards, the Group has formulated a series of policies and systems, including the *Safety Management Manual*, *Occupational Health Management Standard*, *Occupational Health Supervision Management Standard*, *Safety and Environmental Accident Accountability System and Measures for the Management of Safe Production*, *Employees' Health and Accidental Injury Protection Fund*. These policies ensure a safe working environment for all employees, on-site staff of third-party contractors and subcontractors, and safeguard public safety.

In formulating or revising safety management policies, the Group actively seeks opinions and suggestions from employees at all levels and ensures that policies comply with national and industry standards, meet practical operational needs, and gain employee recognition. The Group is committed to regularly updating relevant policies and management systems in line with operational needs and emerging requirements to continuously enhance safety performance.

Risk Identification Process

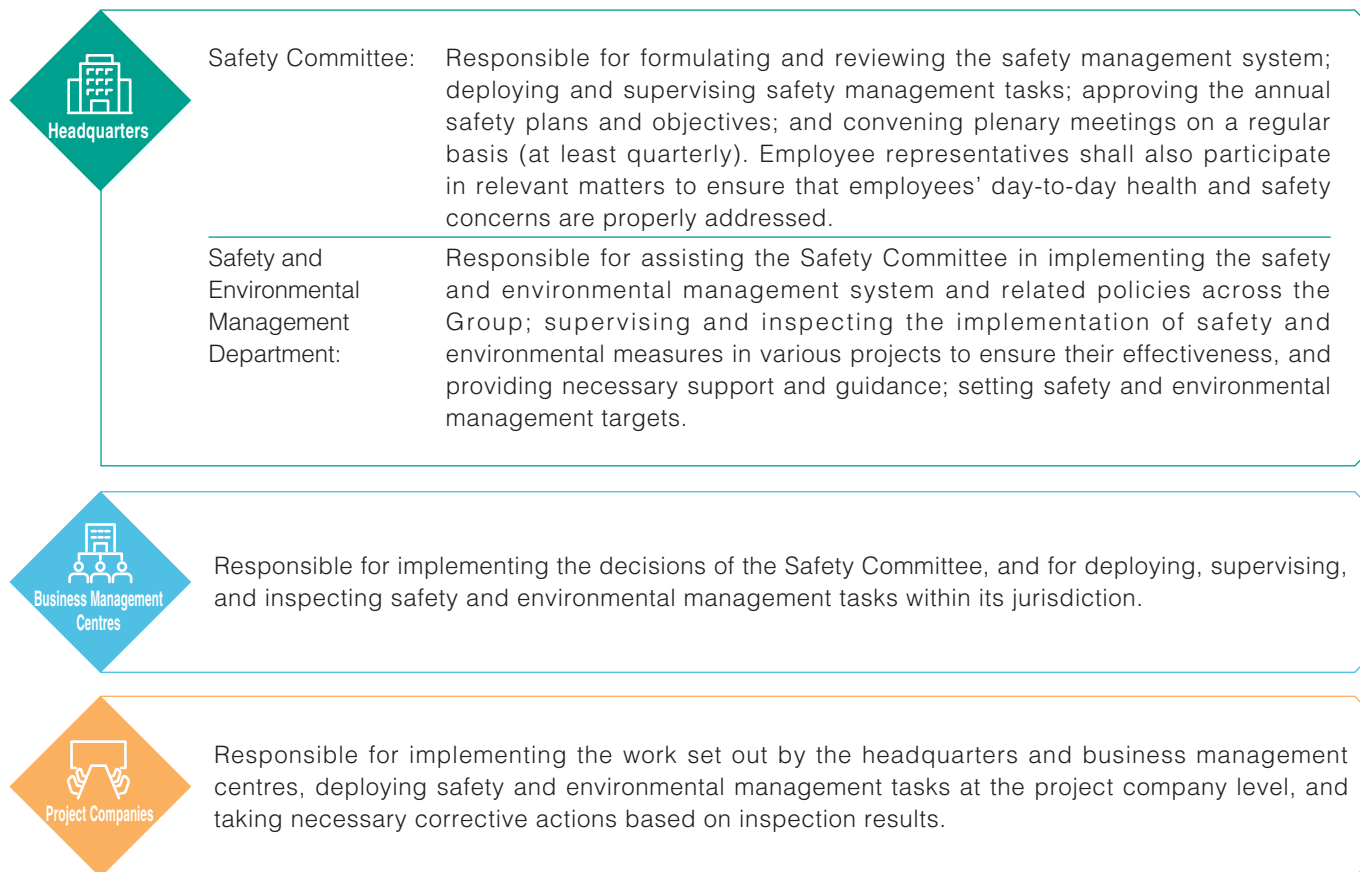
The Group has established a rigorous risk identification process as part of the comprehensive safety management system, which systematically identifies and assesses potential risk factors that could lead to safety incidents:



Safety and Environmental Incident Management

To facilitate systematic management of safety and health affairs, the Group has established a Safety and Environmental Management Committee (the “Safety Committee”) chaired by the Chief Executive Officer, and established a Safety Committee Office under the Safety and Environmental Management Department responsible for the review, planning, coordination and supervision of all tasks related to safe production.

Organisation Structure and Roles



Each project company, business management centre, and the Group headquarters has established a Safety and Environmental Department responsible for executing safety and environmental management tasks, such as organising safety education and training, inspecting operational safety conditions, and identifying and eliminating potential safety hazards. The Group has also established a reward mechanism for hazard reporting, encouraging employees to proactively report safety risks and jointly improve workplace safety. At the beginning of the Reporting Year, each project company under the Group signed the *2025 Safety Production Responsibility Statement*, clearly defining the safety responsibilities of management personnel at all levels. Through the cascading assignment of accountability, a closed-loop responsibility implementation system has been built to strengthen control over the entire safety management process.

In accordance with the requirements of CEEGL's *Safety Accidents, Environmental Incident Management Policy*, safety incidents and environmental events are categorised into 4 levels based on their impact and severity, with level 1 being the most serious. Upon the occurrence of an accident or incident, relevant on-site personnel must immediately report to the person in charge of the project company and the Safety and Environmental Department. Subsequently, the project company's Safety and Environmental Department shall report to the relevant government authorities as required, and escalate the report level by level to the Group and the Safety and Environmental Department of the parent company, CEEGL. The specific accident reporting path is as follows:

Meanwhile, the accident unit should immediately activate the corresponding emergency response plan based on the level of the



incident and take effective measures to prevent further escalation. For incidents classified as level 3 or above, CEEGL's Safety and Environmental Department will lead the investigation, analysis, and conclusion. For level 4 incidents, the Group's Safety and Environmental Department will organise the investigation, with the report submitted to CEEGL's Safety and Environmental Department for record-keeping. Ultimately, accountability for the incident will be established, determining the responsible parties and relevant personnel, based on the type and level of the incident.

Standardising Safe Production and Developing Dual Prevention Mechanisms

Standardising safe production and developing dual prevention mechanism are the Group's key focus every year. Currently, all projects within the Group adopt standardised operating procedures ("SOPs"), and corresponding safety operation protocols have been established for different business types, work locations, production systems, and production processes. All project companies regularly review and update the SOPs based on actual conditions to ensure their applicability and effectiveness.

The Group also actively promotes project companies to obtain international/domestic management system certifications.



100% of projects in operation have completed the development of the dual prevention system

Currently, **9** project companies of the Group have successfully obtained the **ISO 45001** or **GB/T 24001** Occupational Health and Safety Management System certification.

Employee Health and Safety

The Group is committed to controlling OHS risks and the risk of accidents and work injuries, with a view to fostering a safe and healthy workplace. To ensure genuine protection of employees' health, the Group has formulated the *Occupational Health Management Standard* and the *Occupational Health Supervision Management Standard*, intending to enhance occupational health management at the workplace, as well as prevent, controlling and eliminating occupational disease hazards. The Group also encourages employees to report potential hazards related to occupational health and safety to relevant departments and is committed to taking all feedback seriously. The Group's OHS Management System strictly protects the privacy of whistleblowers to prevent safety incidents from unreported issues.

At the beginning of every year, the Group sets clear safety management goals and assessment scopes, establishing annual safety KPIs. In accordance with CEEGL's *Safety Accidents, Environmental Incident Management Policy and the Group's Safety and Environmental Accident Accountability System*, safety and environmental incidents are directly linked to the remuneration of responsible officers, including the directly responsible person, relevant personnel, and overseeing management. Depending on the severity of the incident, consequences may include salary reductions, demotions, or other penalties.

Safeguarding Occupational Health

The Safety and Environmental Management Department of each project company is responsible for commissioning a qualified occupational health service provider to conduct an occupational disease hazard assessment annually, and a comprehensive risk evaluation every 3 years. If the testing reveals that factors such as noise intensity, dust concentration, or chemical irritants in the workplace do not comply with national occupational health standards and requirements, the relevant responsible department shall formulate and implement remediation plans, while also evaluating the effectiveness of such remediation. The relevant assessment results serve as one of the criteria for updating the occupational health and safety management system.

In the event of an OHS incident, the project company shall immediately conduct an analysis of occupational disease hazards at the workplace and perform monitoring. The results should be recorded in the *Dust Inspection Log for Workplaces* or the *Noise Inspection Log for Workplaces*. All monitoring results shall be publicly displayed and recorded in the occupational health files. Meanwhile, the Group has adopted various measures, such as the posting of safety warning slogans, installation of safety warning signs and protective facilities, distribution of personal protection equipment and regular maintenance of protective and monitoring equipment, to further reduce the risk of occupational health hazards at the workplace.



2025 Employee Safety Data

No safety incident occurred	OHS Management System coverage rate 100%	Employee regular health check rate 100%
Fatality due to work-related injuries 0	Fatality rate due to work-related injuries 0	Serious work-related injury case (excluding fatalities) 0
Serious work-related injury rate (excluding fatalities) 0	Work-related injury case 5	Work-related injury rate 0.15
Workday lost due to work-related injuries 339	Occupational disease case 0	Fatality due to occupational disease 0

No.	Project Name	Safety and Environmental Management
1	Dangshan Integrated Biomass and Waste-to-Energy Project	- Anhui Province Environmental Protection Integrity Enterprise - Advanced Enterprise in Safety Production
2	Xiao County Integrated Biomass and Waste-to-Energy Project	Provincial-Level Health Enterprise
3	Hanshan Biomass Project	Fire Brigade Training Base
4	Zhongjiang Integrated Biomass and Waste-to-Energy Project	- Provincial-Level Health Enterprise - Provincial-Level Environmental Protection Integrity Enterprise
5	Huaiyuan Integrated Biomass and Waste-to-Energy Project	- Municipal-Level Health Enterprise - Advanced Unit in Safety Production
6	Xiayi Integrated Biomass and Waste-to-Energy Project	Advanced Unit in Occupational Health Work
7	Dingyuan Biomass Project	Provincial-Level Health Enterprise
8	Weihai Biomass Project	Provincial-Level Health Enterprise
9	Xinyi Hazardous Waste Treatment Project	Environmental Protection Demonstration Enterprise
10	Zibo Hazardous Waste Treatment Project	Linzi District Ecological Environment Bureau "Responsible Enterprise"
11	Linshu Hazardous Waste Treatment Project	- CEEGL Safety and Environmental Demonstration Project - Advanced Environmental Protection Enterprise of Linshu County Economic Development Zone
12	Haimen Hazardous Waste Treatment Project	- Advanced Enterprise in Safety Production (Fire Safety) - Advanced Enterprise in Haimen District for the Implementation of Safety Production Responsibilities - First Prize in Haimen District "Safe and Healthy Cup" Knowledge Competition
13	Huangshi Hazardous Waste Treatment Project	- Individual Second Prize in the Lower Lu District Fire Rescue Team Competition - First Prize in the Huangshi City Ecological Environment Law Enforcement Enterprise Environmental Protection Skills Competition
14	Rugao Biomass Project	Advanced Unit in Safety Production

In addition to continuously optimising protective measures to reduce occupational risks in the workplace, the Group arranges comprehensive annual health check-ups and purchases medical insurance for all employees. This helps employees monitor their health status in a timely manner and alleviates the financial burden of medical treatment, effectively safeguarding their health rights and interests.

In strict accordance with the *Occupational Health Supervision Management Standard*, the Group provides comprehensive occupational health protection for employees, covering pre-employment, on-the-job, departure, emergency, and special-category health protection. Individual occupational health monitoring files are established, properly maintained, and kept strictly confidential. Employee health and safety training remains a key approach to enhancing health awareness and first-aid capabilities. The Standard specifies that the General Management Department formulates an annual occupational health education and training programme, which is incorporated into the Group's education and training plan. All new hires, transferred employees, and dispatched workers are required to receive occupational health training covering relevant laws and regulations on occupational disease prevention, workplace hazard factors, and emergency response measures. Assessments are conducted upon completion of training, and only those who pass may commence work. In addition, on-the-job employees and long-term dispatched workers receive occupational health education and training at least once annually to continuously strengthen occupational health awareness and emergency response capabilities.



During the Reporting Year, the Group's project companies have organised employee training on various occupational health and safety topics, such as occupational hygiene, cardiopulmonary resuscitation, fire safety, heat stroke prevention, and summer construction safety in high temperatures.



▲ Safety and Environmental Competition at Zhongjiang and Mianzhu Integrated Biomass and Waste-to-Energy Projects



▲ Cardiopulmonary Resuscitation (CPR) Training at Weihai Biomass Project



Occupational Health Training at Fengyang Integrated Biomass and Waste-to-Energy Project



Occupational Disease Prevention Training at Zhongxiang Integrated Biomass and Waste-to-Energy Project

Contractor Safety Management

The Group attaches great importance to the safety management of contractors and has incorporated contractor management into the Group's safety and environmental supervision system. The *Safety Management Manual and Administrative Regulations for Stakeholders' Safety, Health and Environmental Protection* published by the Group has set out specific provisions for contractor safety management. Responsibility for contractor safety management lies with relevant functional departments, business management centres, and project companies, which are responsible for qualification vetting and safety supervision, under the oversight of the Safety and Environmental Management Department.

Qualification Management

- Set entry requirements at the tendering stage and implement a Production Safety Risk Deposit Scheme.
- Sign service contracts and the *Letter of Responsibility for Production Safety, Occupational Health, and Environmental Protection* with the awarded contractors.
- Review existing contractors' safety qualifications, past performance, and personnel credentials.

Configuration Requirements

- Require contractors to allocate safety management resources based on workforce size:
- More than 100 workers: establish a safety management organisation;
 - More than 30 workers: appoint full-time safety officers;
 - 30 workers or fewer: must assign part-time safety officers.

Safety Supervision

- All contractors entering project sites must complete safety training and pass the examination before being allowed on site
- Review the special operation permits of special operation personnel and special equipment operators under contractors and the test certificates of their operating instruments and equipment
- Ensure contractors purchase work injury insurance and arrange occupational health check-ups for all operating personnel
- Implement standardised management to strengthen on-site supervision and safety inspections of contractors

Assessment and Training

- Manage and assess contractors' compliance with contract obligations and safety and environmental responsibilities
- Regularly conduct safety capability training for contractors to continuously improve their safety management standards

In accordance with the *Supplier Management Measures*, the Group's Procurement Management Departments at all levels shall conduct a general assessment on contractors or suppliers at the end of each year. The quality, environmental, and OHS management would account for 25 points in the assessment of contractors in charge of installation and civil engineering equivalent to a 25% weighting, underscoring its significance. To strengthen contractor safety management, on-site management personnel of the Group's project are responsible for supervision and inspection of contractor's site operation, performing quantitative appraisal and dynamic evaluations based on safety appraisal standards for contractors and a contractor blacklist mechanism. Non-compliant contractors will be included in the blacklist and banned from future bidding. The Group has also established special appraisal plans for safety and environmental management to rigorously evaluate the management capabilities and implementation performance of functional departments, business management centres, and project companies, within which contractor management accounts for 30 points, representing a 30% weighting.

The Group strictly adheres to the parent company's Quality, Environmental, Occupational Health and Safety Management System ("QEHS Management System"), striving to provide comprehensive protection for contractors and on-site third-party workers against occupational hazards. Furthermore, we regularly review and optimise our contractor management standards to ensure the effective implementation of the supplier supervision system within our daily operations.

Moreover, the Group has formulated and published the *Safety Management Standards for External Partners* to further standardise the safety management of external service providers involved in equipment maintenance, repair, monitoring, and property management. The employees of external partners are managed in accordance with standards applicable to its officially employed staff. Project companies are required to cover external partners in their safety production accountability system with specific provisions on their safety duties and to conduct monthly appraisal of the external partners' performance. Project companies also need to require external partners to organise or participate in roster-based safety promotion activities according to requirements and organise OHS learning and emergency drills on a regular basis to ensure the safety of people, operations and assets for all parties.

2025 Safety and Health Data of Contractors and External Partner On-Site Employees

Coverage rate of OHS Management System

100%

Coverage rate of OHS Management System

0

Fatality rate due to work-related injuries

0

Serious work-related injury cases (excluding fatalities)

0

Serious work-related injury rate (excluding fatalities)

0

Case of work-related injury

2

Work-related injury rate

0.05

Workday lost due to work-related injuries

20

Occupational diseases

0

Fatality due to occupational disease

0

Enhance Safety Culture

The Group remains committed to fostering a strong safety culture based on the principle of “Safety First, Life Above All”. It promotes a workplace environment where everyone prioritises safety, is proficient in emergency response, and feels empowered to report unsafe behaviours and conditions without hesitation. To maximise identification and elimination of safety hazards, we have implemented a patrol inspection system for our production lines, whereby patrollers inspect the production sites without intermission on an around-the-clock basis and immediately report any problems, hazards and deficiencies to supervisors upon identification. In connection with safety and environmental management, a dual prevention mechanism has been implemented whereby staff at all levels carry out hazard inspection according to plans and report to their supervisors for rectification in a timely manner.

The Group's Clean Energy Management Centre has formulated and promulgated the *Reward Mechanism for Accident Hazard Reporting*, incentivising employees to proactively report safety hazards, driving a shift in production safety management from reactive response to proactive prevention, and establishing a long-term safety mechanism based on collective responsibility.

Safety Capacity Development

During the Reporting Year, we continued to strengthen safety supervision and inspection, supported by our established rules and regulations. Additionally, we enhanced staff safety awareness and fostered a safety culture by organising a substantial number of safety education and training sessions.



Safety Supervision

100%

of our safety and environmental branch leadership and dedicated safety and environmental management personnel held certificates¹⁰

76

dedicated safety and environmental personnel held certificates as registered safety engineers



Safety Inspection

The Group has consistently required units at all levels to conduct regular safety inspections, focusing on safety and environmental management loopholes. Specific requirements are as follows:

- Quarterly Inspections: Each business management centre shall organise a safety supervision inspection for projects once per quarter
- Special Inspections: The Safety and Environmental Management Department shall conduct at least 12 special safety inspections each year
- Headquarters-Level Training and Exchange Activities: The Safety and Environmental Management Department shall organise at least 4 safety trainings and exchange activities each year
- Cross-Sector Safety and Environmental Supervision: To carry out paired assistance initiatives, strengthen safety and environmental related communication between sectors, and continue to enhance the overall level of safety and environmental management

2025 Safety Inspection Data

Hazard identification and remediation activities

1,846 times

Safety inspection

141 times

Safety inspection coverage rate

100%

Progress in rectifying general incidents and hazards

100%

Specialised inspection

10 times*

* (including confined space inspections, ineffective environmental facility inspections, environmental compliance inspections, summer fire safety inspections, automatic monitoring equipment inspections, key area video surveillance inspections)

¹⁰ Refers to the internal safety professional qualification certificate



Safety Training

Employee safety training and emergency drills are essential components of the Group's safety management system. Beyond the fundamental requirements of induction training and job certification, the principal officer and safe production management personnel are required to attend safe production training on a regular basis and register no less than 12 training hours of refresher training annually. For personnel involved in the production and operation of hazardous chemicals, the annual retraining duration must be no less than 16 hours; all employees must strictly adhere to these training mandates. To support this, the Group has established an online training platform that integrates an Environment and Safety courseware library, assessment question banks, and best practice cases in safety management. We also organise multiple safety training sessions each year for employees, contractors, and relevant parties, incorporating training performance into year-end appraisals.

During the Reporting Year, the Group conducted specialised safety skills training and assessments for key positions, including shift supervisors and special operation personnel. We also promoted talent cultivation mechanisms such as "master-apprentice programmes", "A/B role development", and "benchmarking learning" to enhance employees' safety awareness and professional competence.

2025 Safety Training Data

Safety and Health Training Coverage: **100%** of internal employees and on-site employees of contractors/external partners

Safety and Occupational Health Training for Internal Employees: **1,070** sessions and **1,907** hours

Safety and Occupational Health Training for Contractors/External Partners: **1,556** sessions and **2,967** hours



Specific Appraisal

To effectively confirm the safety and environmental management responsibilities of all employees, the Group implements special appraisals on safety and environmental management and prepares a special appraisal plan, focusing on assessing the safety and environmental management processes and accident occurrences of units at all levels. The appraisal includes but is not limited to:

- Robust safety and environmental systems and regimes
- System of safe production responsibilities for all employees
- Safety and environmental education training and emergency drills
- Safety and environmental management grade rating
- Special safe production rectification and dual prevention regime, control over dangerous operations
- Contractor/external partner management
- Special safety and environmental cost management

“Five Small Innovations” Driving Production Safety

No.	Project Company	Innovative Initiative	Effectiveness of Measures
1	EB Greentech Renewable Energy (Xiao County) Limited	Smart retrofitting of fire monitors in solid waste storage	Efficiency Enhancement: Reduces fire extinguishing time by 60% and significantly strengthens emergency response capabilities; Safety Upgrade: Enables remote operation to prevent personnel from entering high-risk zones and effectively prevents the spread of minor fires; Intelligent Efficiency: Features triple-sensor linkage with automated alerts and activation; response speed is improved by 80% compared to manual operation.
2	EB Greentech Hazardous Waste Treatment (Linshu) Limited	Safety retrofit of the hydraulic system for feeding trolleys	Following the retrofitting, feeding anomalies can be resolved without requiring personnel to manually install pusher heads on-site. Operators can switch hydraulic circuits from the control terminal to synchronise the two cylinders, effectively resolving feeding issues remotely.
3	Everbright Biomass Energy (Lingbi) Limited	Installation of local start-stop devices for ash silos	New observation platforms and inspection ports enable real-time monitoring of equipment and vehicle status. This facilitates the rational adjustment of ash loading speeds and allows for immediate equipment shutdown upon detecting anomalies, preventing accident escalation.
4	Everbright Biomass Energy (Huaiyuan) Limited	Audio-visual alarms for waste crane discharge gates	Waste crane operators can control the audio-visual alarms via remote control, ensuring simple and flexible operation. This prevents simultaneous activity by waste cranes and refuse trucks at discharge gates, thereby avoiding collision accidents.
5	Everbright Biomass Energy (Lianshui) Limited	Simplification of operational regulations and application of video-based operation tickets	Significant Improvement in Skills Transfer: The onboarding training period for new employees has been reduced from 2–3 months to approximately 1.5 months; Upgraded Operational Standards: Through dual guidance using videos of “Standardised Action Demonstrations” and “Operational Error Warnings”, the rate of equipment misuse and missed inspections caused by “misinterpretation of regulations” or “omission of operational details” has decreased by over 30%. The compliance rate for high-frequency risk operations, such as valve adjustment, equipment switching, and anomaly handling, has stabilised at over 98%.
6	EB Urban and Rural Renewable Energy (Xiao County) Limited	Smart stockpile monitoring system for biomass storage yards	By integrating fuel characteristics, storage conditions, and historical data on fuel storage experiences, a smart early warning mechanism was established to monitor and respond to sudden incidents in the yard in real-time. This intelligent monitoring further strengthens fire safety control in the storage yard and enhances overall risk prevention and control capabilities.

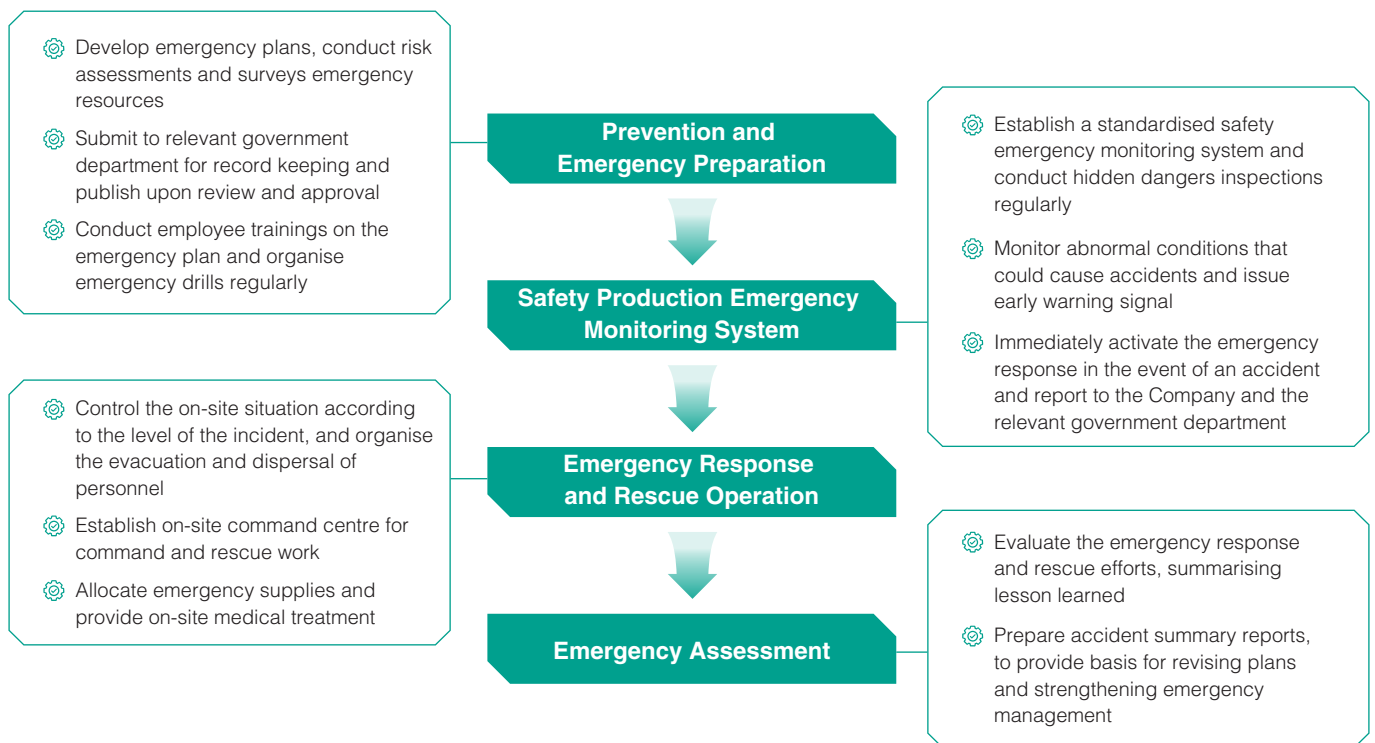
Cross-Sector Safety and Environmental Supervision and Support Plan

To promote the *Three-Year Action Plan for Fundamental Safety Production (2024-2026)*, the parent company, CEEGL, has formulated and implemented a *Cross-Sector Safety and Environmental Supervision and Support Plan (2024 Trial)*. This plan applies to 3 business sectors, Everbright Environment, Everbright Greentech, and Everbright Water, covering a total of 32 projects, of which 17 projects from the Group are designated as pilot support projects.

The core components of this plan involve conducting in-depth inspections focused on flood prevention, disaster management, heat stroke prevention, safety production responsibility systems, risk prevention in high-risk locations and hazardous operations, on-site safety and civilised production practices, as well as the allocation and utilisation of safety production funds. Furthermore, the plan underscores the organisation, principles, safety measures, and disciplinary requirements for inspection and support work to ensure the quality and effectiveness of supervision and inspection. Through these initiatives, project companies have strengthened inter-sector communication and collaboration, enhanced safety and environmental management practices, and further ensured the stability of their safety and environmental management framework.

Emergency Plan and Procedure

The Group strictly adheres to CEEGL's *Regulations for Emergency Management of Production Safety Incidents* and has established a comprehensive emergency management system. Tailored to business characteristics, environmental conditions, and legal requirements, each project company has developed targeted emergency plans that clearly outline emergency response processes and handling procedures. These emergency plans are subject to continuous evaluation and optimisation to strengthen their capacity for swift response to a variety of emergencies and to enhance overall handling efficiency.



Our emergency management system underscores the importance of regular emergency drills to improve response capabilities and self-evacuation skills of employees. Emergency drills cover a variety of possible emergencies such as fires, leaks, natural disasters, to ensure that employees can respond quickly and effectively in emergencies. We require each project company to conduct a comprehensive emergency drill at least once a year, conduct a special emergency drill at least once every 6 months, and organise an on-site treatment drill at least once every quarter. In order to ensure the effectiveness of the drills, the Safety and Environment Department of the Business Management Centre will conduct regular spot checks to ensure that the quality of the drills meet the standard.

To commend employees or teams exhibiting outstanding performance in emergency management, particularly those who successfully prevent or minimise accident losses, offer effective recommendations, or demonstrate exceptional performance during rescue operations, the Group will provide rewards and recognition for their contributions and efforts. Conversely, we will not tolerate non-compliance with emergency management regulations, including failures to implement necessary precautions, delayed or false incident reporting, and inappropriate conduct during emergency responses. Relevant personnel or departments will be required to promptly rectify these issues under the Group's supervision to ensure compliance and to underscore the critical importance of emergency management.

2025 Emergency Drill Data

Number of emergency drills

534 times

Coverage of emergency drill activities

100 %

Participants in drill activities

8,712



Emergency drill for ammonia leak at Shayang Integrated Biomass and Waste-to-Energy Project



Emergency drill for poisoning and suffocation in a confined space at Mianzhu Integrated Biomass and Waste-to-Energy Project

Natural Disaster Response Management

The Group is committed to establishing a comprehensive climate and disaster risk management system. Through systematised project design, early warning planning, emergency management, insurance coverage, and climate scenario analysis, we ensure the safe and stable operation of our projects while effectively addressing the natural disaster challenges.

Project Design	- The Group has conducted geo-climatic analyses to increase the protection elevations of key areas and equipment, ensuring operational safety in the design stage. - The Group has formulated the <i>Management Regulations on Flood Prevention</i> and integrated greenery into project designs to balance flood control with landscaping value.
Early Warning and Planning	- The Group issued early warning and planning notifications, including the <i>Guidelines for Safety and Environmental Management during the May Day Holiday</i> and the <i>Guidelines for Safety and Environmental Management during the National Day and Mid-Autumn Festival Holidays</i>, among others. - Project companies are required to proactively prepare for typhoons, floods, peak summer demands, and winter cold by conducting special safety inspections, enhancing facility protection, and increasing the frequency of patrols.
Emergency Management	- The emergency management system covers extreme weather disasters such as heavy rain, floods, typhoons, and thunderstorms, ensuring rapid response measures and minimising property losses. - The Group has implemented comprehensive inspection and preventive maintenance programmes to ensure the stable operation of critical systems and reduce the risk of failure.
Insurance Coverage	The Group has secured insurance against natural disasters, including lightning, heavy rain, floods, typhoons, dust storms, blizzards, landslides, subsidence, mudslides, and ground collapse, covering project damages, operational interruptions, and worker health compensation.
Climate Scenario Analysis	The Group conducted climate scenario analysis to assess the potential impacts of physical and transition climate risks on its business and optimise response strategies accordingly. For detailed results, please refer to the “Addressing Climate Change” chapter on pages 32 to 53 of this Report.



- Guanyun Integrated Biomass and Waste-to-Energy Project activated its emergency response plan and established a Flood Relief Task Force



- Huaiyuan Biomass Project launched a specialised campaign for Fuel Protection during the Rainy Season

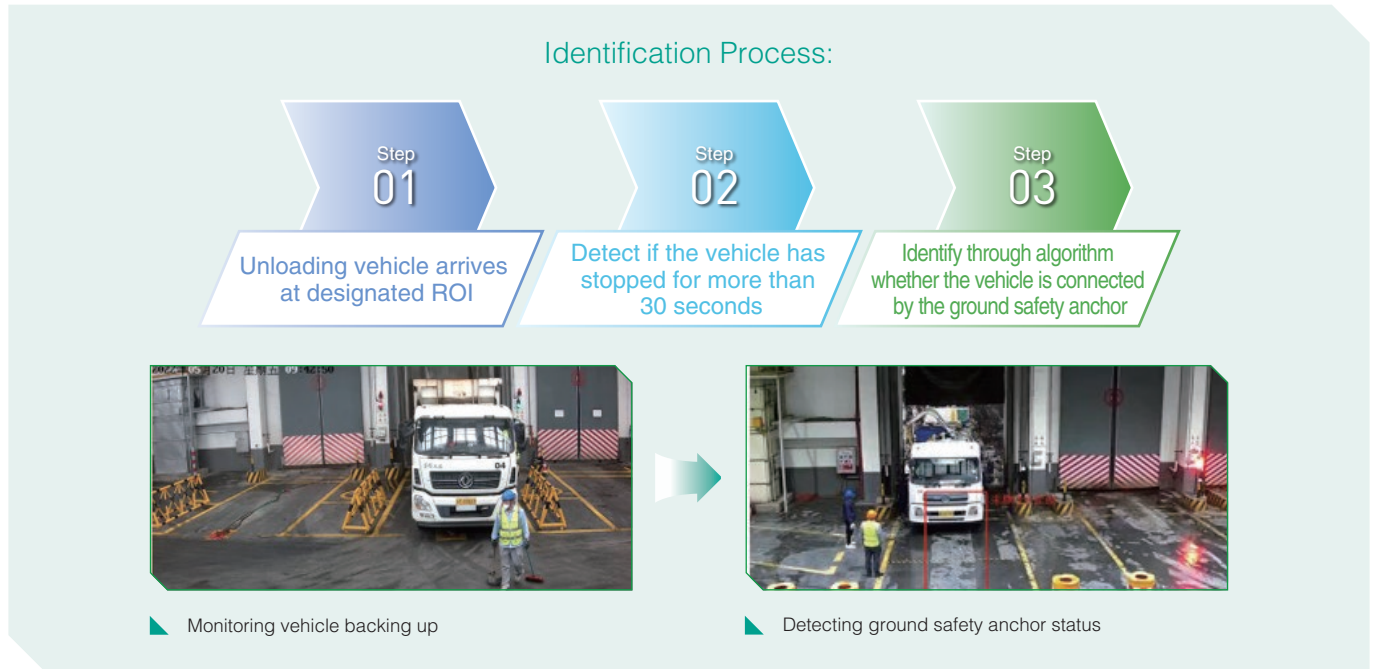
Informatisation of Safety Management System

The Group actively promotes information-based management and system construction to enhance its safety management standards. We have established a sophisticated production management system that incorporates safety management, covering aspects such as safety investments, education and training, emergency rescue, fire safety management, accident management, safety inspection, and contractor management. This system further regulates the management of work tickets and operation tickets, enhancing the standardisation of equipment maintenance and operations. It also facilitates closed-loop management of hazard rectifications, improving efficiency while encouraging experience-sharing and learning across projects to refine safety and environmental ledgers and standardised management.

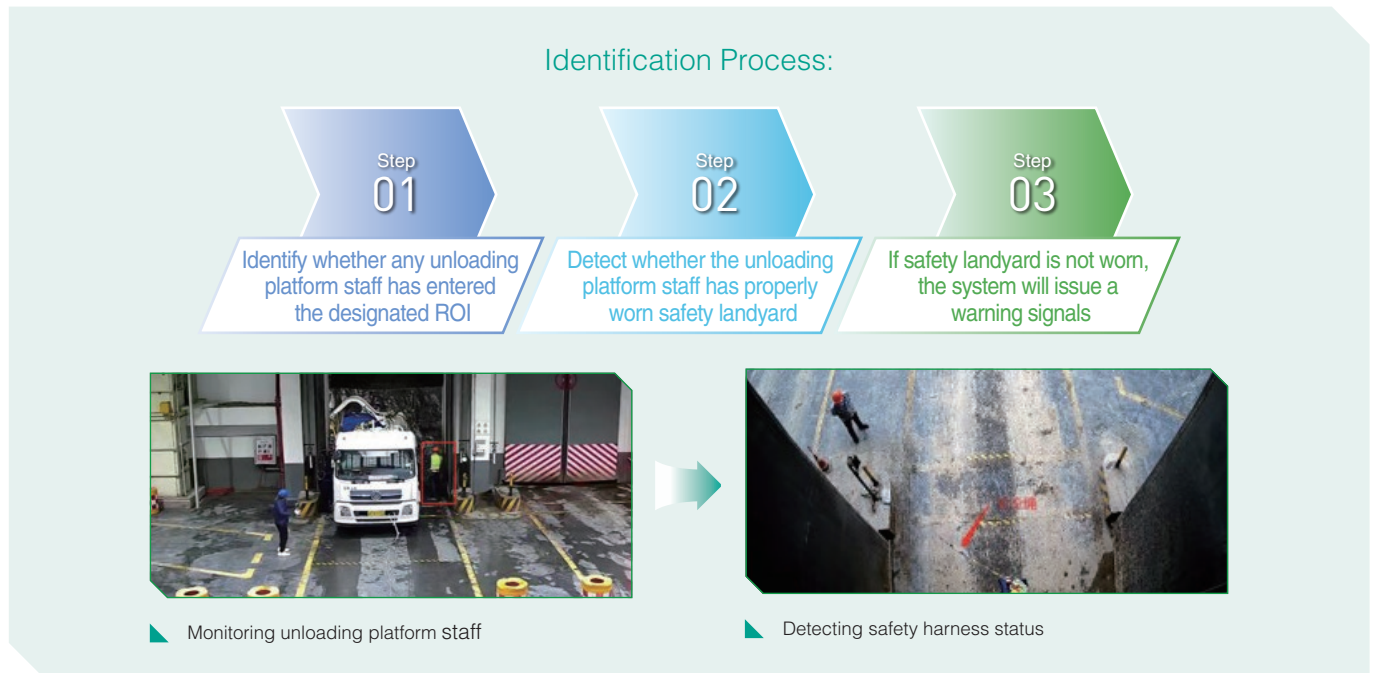
In addition, the Group has piloted a Smart Safety Defence System at its Huangshi, Dingyuan, and Wenling projects. Powered by an AI algorithm engine, an algorithm management platform, and an algorithm development training platform, the system provides customised video surveillance solutions tailored to actual project site scenarios. By designating regions of interest ("ROI") and constructing identification models, the system identifies unsafe actions (e.g., failure to wear safety helmets, falls) and environments (e.g., smoke and fire) in real-time, sending out instant warnings to eliminate hazards and prevent accidents. Leveraging video AI technology, the Huangshi and Wenling projects have deepened the application of smart security to achieve full-process monitoring of high-risk areas and operations, as well as real-time monitoring of critical equipment. This shifts the safety focus toward pre-emptive risk control through early detection of non-compliant behaviours or equipment anomalies. Furthermore, the Group collaborated with Envirotech to develop management equipment for confined space operations. This was implemented at the Suqian Industrial Solid Waste Project with significant results, effectively reducing risks during maintenance and decoking operations and further strengthening the technical support capabilities of our smart safety systems.

Examples of Smart Safety Defense System Security Algorithm

Vehicle Ground Safety Anchor Connection Detection Algorithm

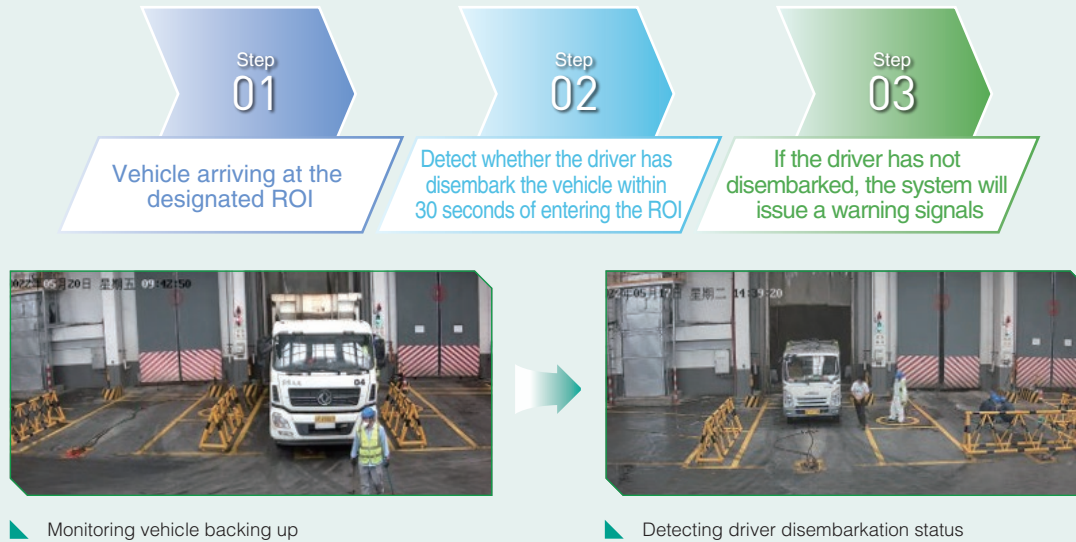


Safety Lanyard Attachment Detection Algorithm for Unloading Platform Staff



Driver Disembarkation Detection Algorithm at Unloading Platform

Identification Process:



Our Smart Safety Defence System Objectives

Project Company Level

- Implement functions such as automated recording plant personnel identification, monitoring of non-compliant operations, and the detection and closed-loop rectification of safety hazards.
- Support uploads and organisation of mobile phone snapshots using the WeChat mini-app.
- Features analytical functions for plant personnel management, production safety risk control, and safety performance scoring.

Headquarters and Business Management Centre Level

- Enables real-time inspection of smart identification results of subsidiary units, providing comprehensive oversight of on-site production safety risks, personnel flow, and non-compliance incidents.

GREEN RECYCLING

Enhancing Environmental Compliance and Management

The Group has established a Safety and Environmental Management Committee to coordinate environmental management. Each project company is required to establish its own safety and environmental management departments with dedicated officers and develop environmental protection systems and regimes. The general managers of project companies are the lead officers for environmental protection and responsible for advancing the development of sound accountability systems for environmental protection and have set out the responsibilities of all departments and employees of all grades and positions in environmental protection.



2025 Annual Environmental Management Goals Achieved:

No Level 4 or Above Environmental Incident¹¹

During the Reporting Year, the Group strictly adhered to various environmental management systems and procedural documents established by the parent company, CEEGL (for details, please refer to “Appendix 2: List of Important ESG Policies” on pages 161 to 162 of this Report). The Group has formulated the [ESG Policy](#) to define the core principles and objectives in environmental and social aspects, providing clear guidance for daily operations. To further enhance the standard of environmental management, the Group revised the *Ecological and Environmental Protection Management System* in 2021. This system covers environmental protection management for new construction, renovation, expansion, and operational projects, as well as the management of wastewater, rainwater, exhaust gas, solid waste, noise, environmental risks, environmental information, and ledgers, alongside corresponding inspections and assessments. Highly comprehensive and actionable, this system plays a pivotal role in refining the Group’s environmental management framework and enhancing management effectiveness.

The Group actively maintains a robust environmental compliance supervision mechanism and conducts regular compliance checklist verifications to ensure all environmental indicators consistently meet national and local requirements. We have strengthened emission data monitoring and early warning management to track and resolve anomalies promptly, effectively preventing environmental risks. Additionally, the Group revised and issued the *Environmental Compliance Checklist (2025 Edition)* to conduct targeted remediation on compliance issues related to biomass, household waste, general solid waste and landfill projects.

During the Reporting Year, the Group conducted comprehensive in-depth investigations into 15 landfills, identifying and rectifying various hidden hazards in a timely manner, achieving a rectification completion rate of 99.14%. Regarding the sole remaining item, at the Yancheng leachate treatment project, key measures such as upgrading the anti-seepage system and stabilising equipment operations have been completed, resulting in increased leachate treatment capacity. Full rectification is expected to be completed by mid-2026 to effectively prevent environmental risks.

¹¹ Incidents are classified into different levels according to the *Safety Accidents and Environmental Incident Management Regulations* published by CEEGL.

In 2025, **No** material incidents involving violations of environmental laws and regulations occurred.

The Group also actively encourages its project companies to obtain international/domestic management system certifications. Currently, 12 project companies have successfully obtained ISO 14001 or GB/T 24001 environmental management system certifications.

Enhancing Routine Management

The Group attaches great importance to the management of pollutant discharge permits, environmental facilities, and environmental consumables. We require all project companies to discharge pollutants in strict compliance with state-issued permits, conduct self-monitoring, and maintain accurate and complete environmental records. Furthermore, project companies must refine their operational procedures and logs for environmental facilities, regularly inspect equipment status, and strictly control the quality of consumables.

Additionally, the Group sets clear requirements for environmental education, training, and emergency management. Each project company is required to develop environmental education and training plans, conduct relevant training sessions, and maintain proper training records. Emergency response plans for environmental incidents must be prepared in accordance with regulations, filed with the competent environmental authorities and relevant departments, and implemented through regular drills. Specifically, comprehensive and specialised emergency drills must be conducted at least once per year, while on-site emergency response drills must be carried out at least twice annually.

Environmental Risk and Information Management

The Group fully fulfils its environmental protection responsibilities, comprehensively managing pollution risks related to air, solid waste, water bodies, and fugitive emissions while ensuring stable project operations. During the Reporting Year, the Group has formulated the *Safety and Environmental Refined Management Handbook*. Focusing on business segments such as biomass, general solid waste, and hazardous waste, the management handbook breaks down typical risk sources across environmental dimensions, including wastewater, exhaust gas, noise, and residue. This has resulted in a quantifiable and traceable management checklist to guide all projects in strengthening risk identification and prevention.

In terms of environmental information management, the Group formulates and publishes annual environmental self-monitoring plans in strict compliance with national standards and regulations, in addition to the requirements for environmental impact assessments and pollution discharge permits for construction projects. We engage qualified third-party professional institutions to conduct on-site monitoring in accordance with these plans. Furthermore, our automated monitoring equipment for air pollutants and wastewater discharge is networked with the monitoring systems of competent ecological and environmental authorities, ensuring the stable operation of equipment and the lawful disclosure of emission data.

At the same time, the Group respects the right to know of local residents and other stakeholders. We proactively disclose the environmental performance of our project operations on the Everbright Greentech website or on officially designated local government websites.

Environmental Management Supervision and Inspection

By establishing a comprehensive environmental management module, the Group supervises, inspects, and evaluates the environmental protection efforts of its projects, ensuring the efficient execution of environmental management work.

Environmental Disclosure Platform

The Group connects emission data, such as flue gas, from all projects to an internal environmental information disclosure platform, enabling real-time recording and updating of environmental monitoring data, alarm information, and tagging records. It also stores monthly environmental reports for each project, facilitating access and supervision by management departments at any time. Our digital management and monitoring platform not only enhances the transparency of environmental information but also significantly improves management efficiency. Additionally, we have established internal assessment standards to track weekly emission data, provide early warnings for risks of exceeding limits, and analyse and share solutions for common issues, thereby elevating operational quality.

Quarterly Safety and Environmental Inspection

The Safety and Environmental Management Department conducts comprehensive safety and environmental inspections quarterly. These inspections focus on the establishment of environmental management systems, organisational structures and the fulfilment of responsibilities, daily management practices, environmental risk and information management, as well as hidden hazard screening at project companies. Following the inspection, scoring and evaluation are conducted based on the criteria in the management module. Points are deducted for any issues identified, and rectification recommendations and measures are proposed. Upon completion, a summary report is prepared, and the inspection results play a decisive role in the annual performance appraisal.

Environmental Special Training and Accountability

The Group continuously advances the construction of its environmental risk prevention and control capabilities. We conduct warning education on environmental incidents and specialised training to enhance employees' environmental awareness and management skills. Concurrently, we have revised the *Management Measures for Accountability in Safety and Environmental Incidents*. Strict accountability is enforced on relevant responsible units and individuals, with results linked to performance appraisals and promotions, ensuring full implementation of environmental responsibilities.

Recognition and Promotion of Outstanding Environmental Management

We actively recommend project companies with exceptional performance in this field to participate in the selection of safety and environmental management demonstration projects and outstanding cases organised by CEEGL. Their best practices are shared and promoted to inspire other project companies to dedicate more time and effort to safety and environmental initiatives, thereby continuously improving the Group's overall safety and environmental management standards.



The "Hong Kong Awards for Environmental Excellence" is jointly organised by the Environmental Campaign Committee (ECC), the Environment and Ecology Bureau, and nine other organisations. The awards aim to encourage enterprises and organisations to implement environmental management, benchmark their environmental performance against the best practices within their respective sectors, and recognise those demonstrating excellence in environmental performance.

- First-time recipient of the "Certificate of Merit in Environmental Industry Sector" at the 2024 Hong Kong Awards for Environmental Excellence (award presented in 2025).

Promoting Pollution and Carbon Reduction

Reducing Pollutant Emissions

Ultra-Low Emission Upgrades

The Group strictly complies with national environmental regulations and meets stricter regional emission requirements. We have invested significantly in ultra-low emission upgrades for our biomass and waste-to-energy projects. These efforts significantly reduce the emission concentrations of particulate matter, nitrogen oxides, and sulphur dioxide, eliminating compliance risks and contributing to the continuous improvement of local air quality. During the Reporting Year, the Group established a special task force for ultra-low emission upgrades to promote optimisation through a specialised coordination model, which has effectively reduced retrofitting and operational costs while significantly enhancing operational efficiency and quality.



Investment in **16** ultra-low emission projects exceeded RMB **120** million.

Solid Waste Management

Solid waste generated during the Group's operations primarily originates from the integrated biomass utilisation business and the hazardous and solid waste treatment business. Specifically, this includes: fly ash and bottom ash (both non-hazardous) from biomass projects; fly ash (hazardous) and bottom ash (non-hazardous) from household and general industrial solid waste projects; fly ash and bottom ash (both hazardous) from hazardous waste treatment projects; and sludge (hazardous or non-hazardous) from sewage treatment facilities at project sites, among others. For detailed information on waste types and volumes, please refer to "Appendix 3: KPI Overview" on page 167 of this Report.

The Group manages various types of waste generated during operations according to 3 fundamental principles "Resource Utilisation, Reduction, and Safe Disposal".



Resource Utilisation: Prioritising the integrated utilisation of solid waste by adopting internal measures to turn waste into valuable resources, or outsourcing treatment to third parties to treat it as valuable materials.



Reduction: Promoting clean production practices to minimise waste generation, or implementing internal measures to reduce the volume of waste requiring disposal.



Safe Disposal: Establishing standardised temporary storage facilities for solid and hazardous waste to ensure solid waste does not cause environmental pollution.

To ensure compliance and transparency in solid waste disposal, the Group has established a management system covering the entire process of generation, collection, storage, transportation, utilisation, and disposal. We maintain industrial solid waste management ledgers to comprehensively record the waste type, quantity, flow direction, and final disposal method, ensuring the process is fully traceable and searchable. Regarding waste disposal, hazardous waste is entrusted to qualified third parties for safe disposal, while non-hazardous waste is primarily prioritised for resource utilisation.

During the Reporting Year, the Group further refined its solid waste management system and established standardised management norms covering the full lifecycle of solid waste. We clarified departmental and positional responsibilities and unified processes and operating standards to ensure management follows established rules. Concurrently, we conducted training on solid waste regulations, technical specifications, and operational skills for employees and third parties, sharing practical experiences to enhance their environmental awareness and professional capabilities. Combined with regular emergency drills for sudden environmental incidents, we continuously strengthened our emergency management levels, solidifying the foundation of solid waste management through both institutional and capability building. Furthermore, the Group actively promotes solid waste reduction and environmental risk prevention while continuously expanding new channels for solid waste resource utilisation. For relevant achievements, please refer to pages 83 to 88 of this chapter.

Low-Carbon Operation and Business Innovation

Low-Carbon Project Development

Solar energy is a zero-carbon energy source. Developing solar energy projects is one of the means the Group contributes to the national “Carbon Neutrality” goal and promotes low-carbon emission reduction. In recent years, the Group has focused on the new energy sector, continuously expanding its footprint in the zero-carbon energy business. As of the end of 2025, the Group has a total of 30 solar energy projects and 4 zero-carbon industrial park projects in Chinese Mainland (which include solar project construction), with a total installed capacity of approximately 196.853 MW¹².

In response to the goal of “increasing local renewable energy generation capacity” outlined in *Hong Kong's Climate Action Plan 2050* and China's “Dual Carbon” Strategy, the Group is actively promoting the development of solar energy projects in Hong Kong. Currently, our subsidiary, Everbright Kellon Green Energy Ltd., operates 13 solar energy projects in Hong Kong, with a total installed capacity of 3.6 MW and an annual electricity generation of approximately 3.65 million kWh¹³, which is equivalent to meeting the annual electricity consumption needs of approximately 1,107 Hong Kong households¹⁴. The electricity generated by these projects is supplied to the local grid through the Feed-in Tariff (FiT) Scheme, indirectly supporting local enterprises in achieving their carbon neutrality commitments.



■ The rooftop solar energy facilities at the South Seas Centre in Tsim Sha Tsui, Kowloon, commenced grid-connected power generation in February 2024. It has a designed installed capacity of 194 kW and is the Group's 13th solar energy project in Hong Kong.



■ The rooftop solar energy facilities at the Everbright Sucheng Development Zone commenced grid-connected power generation in October 2024. It has a designed installed capacity of 40 MW, making it the Group's largest solar energy project by installed capacity.

¹² Excluding the distributed solar energy facilities in plant sites

¹³ According to contractual agreements, the carbon emission reductions from Hong Kong's solar energy projects are not included in the Group's emission reduction calculations.

¹⁴ The equivalent number of households is estimated based on the average monthly electricity consumption per household in Hong Kong, announced by the Hong Kong Electrical and Mechanical Services Department of approximately 275 kWh.

Low-Carbon Business Innovation

The Group has installed distributed solar energy stations at several project sites, enabling self-consumption of generated electricity while feeding surplus power into the grid. This initiative transforms idle rooftops into green production lines for the project companies, which not only reduces electricity costs but also increases the proportion of green power used by the projects and the local community. As of the end of 2025, on-site solar energy projects at 6 of the Group's project sites had commenced operation, with another project currently in preparation.



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



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



Zhangjiagang Hazardous Waste Treatment Project has implemented solar energy projects on the Class C and Class D storage areas, the integrated pump room, and the roof of the solidification workshop within the plant. The installation covers an area of 4,380 m², with an aggregate installed capacity of approximately 0.56 MW.

Low-Carbon Business Innovation



The Group closely follows low-carbon development trends and is committed to innovating its low-carbon business. Initial results have been achieved in several new development directions.

- ◀ Received the “BOC Hong Kong Corporate Environmental Leadership Award” Certificate of Recognition for the seventh time

Promoting Low-Carbon Transition through Green Power

Facing global climate change and resource-related environmental challenges, the Group recognises the critical role of energy transition in advancing global emissions reduction and actively engages in the shift toward low-carbon energy. Green Electricity Certificates (“GECs”) are official certificates issued by China for renewable energy feed-in electricity and serve as the primary method for verifying corporate green power consumption.

In 2025, the Group continued to expand in the green power trading market. Projects such as Huaiyuan Waste-to-Energy Project (Phase II), Suqian General Industrial Solid Waste Project, Gutian Integrated Biomass and Waste-to-Energy Project, and Feng County Solar Energy Project completed multiple GEC transactions via the China Green Electricity Certificate Trading Platform. A total of 136,496 GECs were traded during the year, representing an 11-fold increase compared to the previous year. Green power trading not only generates additional revenue for the Group but also contributes to local carbon emission reduction and the achievement of carbon targets.

Low-Carbon Business Innovation



A New Journey in Electricity Trading

The Group actively responds to energy transition trends by expanding asset-light businesses such as electricity trading, virtual power plants, and zero-carbon industrial parks, thereby promoting green power consumption and broadening opportunities for green growth.

In 2025, the Group took a significant step forward in its electricity trading business. Our subsidiary, EB Greentech Technology Services (Jiangsu) Co., Ltd, signed electricity sales cooperation agreements with over 100 clients across Jiangsu, Shandong, and Anhui provinces, helping to increase clients' proportion of green power usage and reduce their Scope 2 GHG emissions. Furthermore, we are advancing the application for electricity trading qualifications in Guangdong and Shanghai. To enhance business standardisation and operational efficiency, the Group revised its electricity trading reporting processes, clarifying rules for contract approval, pricing decisions, and trading schemes. We also established management systems such as the *Administrative Measures for Electricity Trading Distribution* and the *Incentive Measures for Collaborative Market Development in Electricity Trading*, further strengthening the compliance and transparency of our electricity trading business.

Looking ahead, we will continue to leverage our role as a power supply enterprise in the national energy transition. We aim to encourage users to purchase low-carbon and zero-carbon energy products, promote the expansion of green power consumption, and contribute to achieving carbon peaking and carbon neutrality.

During the Reporting Year, the Group made significant progress in developing the “Zero-Carbon Industrial Park Energy and Carbon Management Platform” and the “VPP and Power Trade Auxiliary Decision-Making Platform”. The Zero-Carbon Industrial Park Energy and Carbon Management Platform utilises digital means to manage and monitor enterprise energy usage, covering energy data collection, monitoring, analysis, and optimisation, as well as carbon inventory and reporting. Users can utilise the platform for real-time monitoring of energy consumption, data analysis, energy efficiency optimisation, and carbon footprint analysis and reduction management, assisting industrial parks in moving towards the goal of becoming zero-carbon factories. Meanwhile, the VPP and Power Trade Auxiliary Decision-Making Platform integrates solar energy generation and energy storage systems, achieving the virtual integration of power to maximise the utilisation of generated green power and optimise economic returns through Internet of Things (IoT) technology. On this basis, the Group is steadily expanding its new zero-carbon industrial park business.



Low-Carbon Business Innovation

Jiangsu Lianshui King's Luck Zero-Carbon Smart Park Project

The project comprises 5 key components: solar energy generation, energy storage, charging stations, a carbon management platform, and a virtual power plant trading platform. Specifically, the solar energy generation system is designed with a total capacity of 25 MW, of which 20 MW was constructed during the Reporting Year under a “self-consumption with surplus fed to the grid” model. The energy storage system is set to have a capacity of 10 MW/20 MWh, while the charging stations are specified to deliver a charging power capacity of 2,050 kW.

During the Reporting Year, the project successfully achieved the 2024 “Zero-Carbon Factory” certification. Tailored to the specific characteristics of the King's Luck distillery, it delivers a comprehensive energy solution encompassing “energy saving and emission reduction + solar-storage-charging + biomass-based heating and cooling supply + smart energy-carbon management platform”.

**Changzhou Zero-Carbon Smart Park Project**

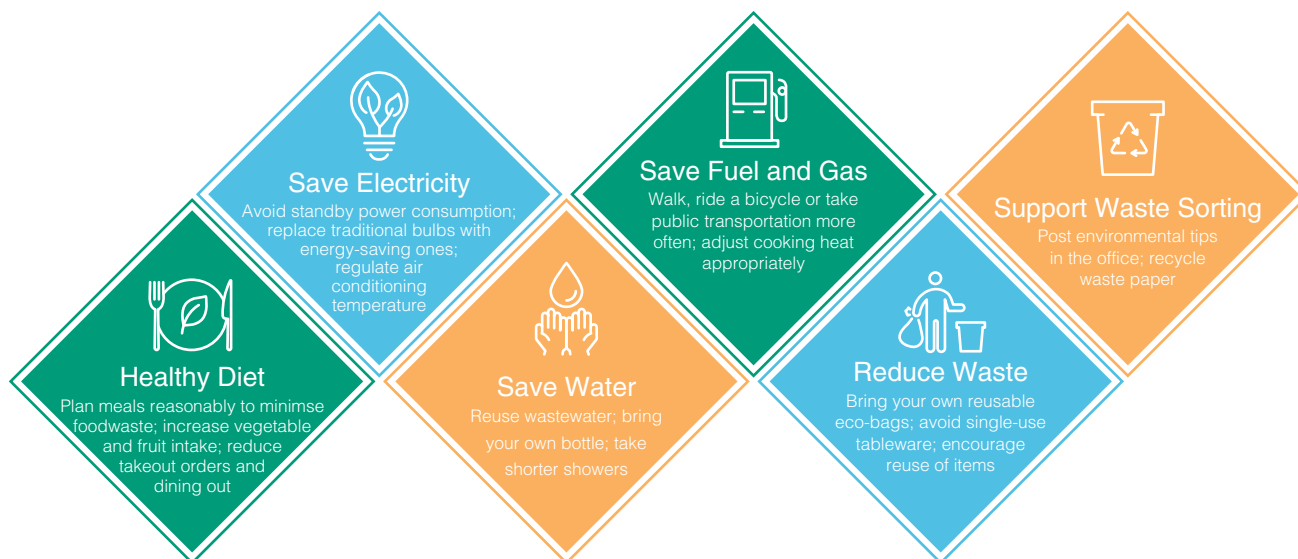
This project is the first zero-carbon park in Changzhou to achieve PAS 2060 carbon neutrality certification, establishing a benchmark for green transformation in the Yangtze River Delta through a “solar + storage + microgrid” smart energy system. The park integrates 4.57 MW of distributed solar energy, generating over 5 million kWh annually and meeting approximately 75% of the park's electricity demand. It is equipped with a 1.615 MW/4.097 MWh centralised energy storage system for intelligent peak shaving, alongside a 960 kW charging network, forming a closed-loop “solar-storage-charging” energy ecosystem. Relying on an energy management platform for the dynamic optimisation of generation, grid, load, and storage, the project achieved a clean energy penetration rate exceeding 85%, effectively supporting the construction of the zero-carbon park and low-carbon innovation practices.



In the realm of technological innovation, the Group is committed to enhancing R&D investments, with a focus on advancing technologies related to energy conservation, carbon reduction, and emissions mitigation. For more detailed information, please refer to the “Technological Development” section on pages 117 to 126 of this Report.

Low-Carbon Life Initiatives

The Group also actively promotes CEEGL's *Low-Carbon Life Initiatives* among all employees, inspiring them to adopt low-carbon lifestyles, reduce carbon emissions, and collectively contribute to environmental protection.



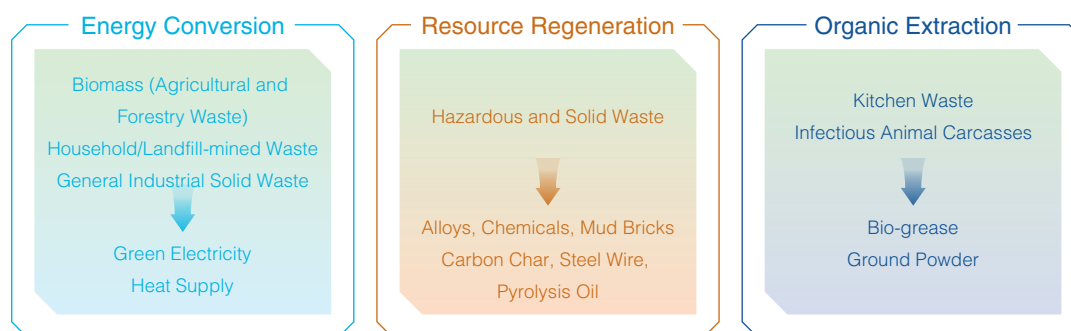
Driving Circular Economy

In 2021, the National Development and Reform Commission (NDRC) released the *14th Five-Year Plan for the Development of Circular Economy*, which set forth ambitious goals for 2025. These include the full implementation of circular production methods, significant enhancement of resource utilisation capabilities, the establishment of a resource-recycling industrial system, substantial improvements in resource efficiency, increased substitution of raw resources with regenerated ones, and a strengthened role of the circular economy in safeguarding resource security. Similarly, in January 2022, 7 departments led by the NDRC issued the *Guiding Opinion on Accelerating the Construction of a Recycling System for Waste Materials*. The document emphasised the need to further improve the policy framework and system for recycling waste and obsolete materials, as well as to enhance the overall level of resource recycling by 2025.

Aligning with Circular Economy Trends

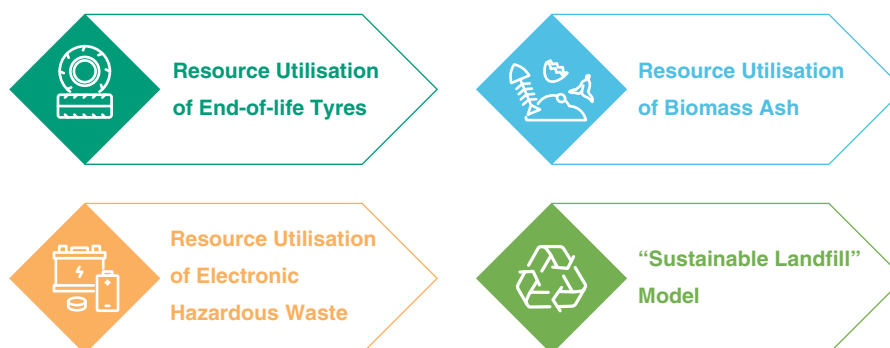
The Group actively responds to national circular economy development trends. Centred on the core philosophy of “resource conservation, recycling, and environmental friendliness”, we continuously expand our green and low-carbon businesses. Our core operations—integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation, and solar energy and wind power generation—possess distinct resource conversion and clean energy characteristics, playing a critical role in supporting the national circular economy development.

Furthermore, the Group actively explores potential circular economy application scenarios, covering the resource utilisation of general industrial solid waste, waste tyres, deceased animals, kitchen waste, and biomass ash. By improving resource utilisation rates and the added value of by-products, we continuously promote the diversified development of the circular economy.



Expansion of Circular Economy Business

Beyond our core operations, relying on technology and resource accumulation, the Group actively expands into diverse circular economy scenarios. We explore the potential for resource utilisation, reduction, and high-value application, supporting the green development of our main business through the following four key directions:



Resource Utilisation of End-of-life Tyres

To further align with national circular economy development trends, the Group leverages its technical strengths in solid waste treatment to expand into the end-of-life tyre treatment sector. The comprehensive utilisation of end-of-life tyres adheres to circular economy principles and aligns with national industrial support policies, offering promising development prospects. The Group employs differentiated processing technologies based on the characteristics of different tyre types to achieve efficient resource utilisation:

End-of-life Tyres from Trucks

Reclaimed Rubber

End-of-life tyres from trucks are used to produce reclaimed rubber, addressing shortages in rubber resources. This material is then manufactured into high-value-added products such as highway crash barrels.

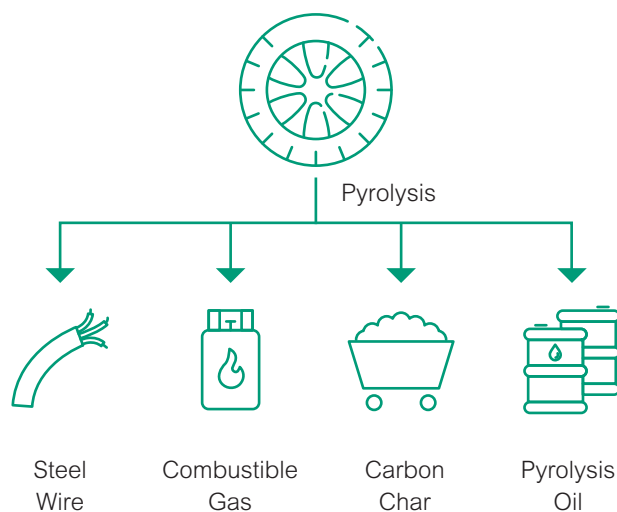
End-of-life Tyres from Passenger Cars

Pyrolysis Oil, Steel Wire, Carbon Char, and Combustible Gas

End-of-life tyres from passenger cars undergo thermal pyrolysis to be converted into renewable resources such as pyrolysis oil, steel wire, carbon char, and combustible gas. These are widely applied in various downstream industries:

- Pyrolysis Oil: Reused as petrochemical raw material or alternative fuel oil
- Steel Wire: Reused as a secondary raw material for manufacturing sandblasting materials and manhole covers
- Carbon Char: Reused in the manufacturing of tyre rubber, pigments, and reclaimed rubber
- Combustible Gas: Reused for heating in the thermal pyrolysis process and drying in carbon black granulation

The Group has constructed an integrated end-of-life tyre utilisation project in the Changleshan Circular Economy Industrial Park in Xialu District, Huangshi. Occupying a site of 195 mu with an investment of approximately RMB 350 million, the project has a designed processing capacity of 100,000 tonnes of end-of-life tyres per year. The project applies a process comprising “pre-treatment, rotary pyrolysis, and oil-gas-carbon separation”, adopting micro-negative pressure low-temperature pyrolysis technology to control the reactor temperature to within 430°C. The project primarily produces steel wire, combustible gas, pyrolysis oil, and carbon char.



Composition

Recovery Rate(%)

Steel Wire

12

Combustible Gas

45

Carbon Char

34

Pyrolysis Oil

9

Awarded ISCC EU and ISCC PLUS International Sustainability and Carbon Certifications

EB Greentech Renewable Material (Huangshi) Limited obtained dual certifications—ISCC EU and ISCC PLUS—under the International Sustainability and Carbon Certification (ISCC) framework for its end-of-life tyre recycling and pyrolysis oil projects. These certifications demonstrate the project's compliance with stringent international standards for sustainability, traceability, and verifiability. This milestone will further drive the Group's business development in the end-of-life tyre recycling and pyrolysis oil sectors, while laying a solid foundation for future participation in the global biofuels supply chain.

Certification Compliance Benchmarks



Protecting land with high biodiversity and high carbon stock; maintaining soil, water, and air quality.



Strictly complying with human rights and labour rights; establishing responsible community relations; providing safe working conditions.



Implementing good management practices and mechanisms for continuous optimisation.

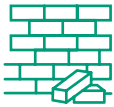


Value Promise of Certification



Resource Utilisation of Biomass Ash

To accelerate the resource utilisation of biomass ash and enhance the value of project by-products, the Group has actively conducted feasibility studies on converting biomass ash into active micro-powder, aerated concrete, panels, permeable concrete, steam-cured bricks, and other building materials. Research indicates that by adjusting the mixing ratio, biomass ash from the majority of the Group's projects can be used to manufacture a wide range of construction materials.



Manufacturing of
Unfired Bricks

Unfired brick is an innovative wall material that aligns with China's general directive for the development of construction materials, "protecting farmland, conserving energy, adapting to local conditions, and sourcing materials locally". Compared to conventional wall materials, unfired brick is cleaner, more eco-friendly, and has a broad range of applications. In recent years, its market demand has steadily increased. Research has shown that the unfired bricks produced by the Group's projects meet the standards of the construction industry. These bricks offer significant advantages, including a high utilisation rate of solid waste and the conservation of valuable land resources.



Manufacturing
of Cement
Stabilised
Materials

The cement-stabilised gravel layer is one of the key components of high-grade roadbases. It is produced by combining gravel with a cement consolidation agent in specific proportions, which is then compacted under pressure to enhance the strength and durability of the road's base layers. According to research, testing, and validation conducted by the Group's Technology Research Institute, biomass ash can be utilised to manufacture cement-stabilised materials that meet the requirements for base and sub-base layers of roads with heavy traffic grades or below. This innovation not only aligns with the current transformation needs for utilising biomass ash in construction materials but also effectively mitigates the risks associated with ash accumulation and the environmental hazards posed by biomass projects. By turning waste into value-added products, this approach maximises the utilisation of biomass ash and contributes to sustainable development.



Manufacturing of
Aerated Concrete

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



In 2025, the resource utilisation of biomass ash reached a total of **3,362,990** tonnes. Utilisation methods included the production of organic fertiliser, construction materials, and road base materials.

Resource Utilisation of Electronic Hazardous Waste

The Group's hazardous and solid waste treatment business adheres to the 3 core principles of "reduction, harmlessness, and resource utilisation". Building on safe disposal, the Group focuses on the deep mining of key metal resources such as copper, zinc, and chromium, contributing to the high-quality development of the circular economy. Through refined extraction and deep processing technologies, electronic hazardous waste that was originally difficult to dispose of is converted into marketable products such as alloys and chemical raw materials, thereby enhancing the recycling value of hazardous waste resources.



**Yangtze River
Delta Electronic
Hazardous
Waste Resource
Utilisation Project**

EB Greentech Technology (Wuxi) Limited ("Wuxi Technology") and its subsidiary, Kunshan Zhonghuan Industrial Co., Ltd., focus on the harmless treatment and resource regeneration of electronic waste liquids generated during printed circuit board (PCB) manufacturing in the Yangtze River Delta region, such as tin stripping waste liquid, copper-containing etching liquid, and copper-containing sludge. The projects possess stable disposal and conversion capabilities. Through classification extraction and refining processes, they produce various resource products including copper sulphate, copper hydroxide, tin hydroxide, fresh etching liquid, regenerated tin stripping liquid, and mud bricks. These products replace some virgin materials in the downstream chemical and electronics industries.

Wuxi Technology has an annual processing and utilisation capacity of 10,000 tonnes of tin stripping waste liquid, 31,000 tonnes of copper-containing sludge, 17,000 tonnes of copper-containing waste liquid, 10,000 tonnes of waste acid, and 3,000 tonnes of nickel-containing sludge. Its subsidiary, Kunshan Zhonghuan Industrial Co., Ltd., has an annual disposal capacity of 18,100 tonnes of copper-containing etching waste liquid and 3,000 tonnes of tin stripping waste liquid.



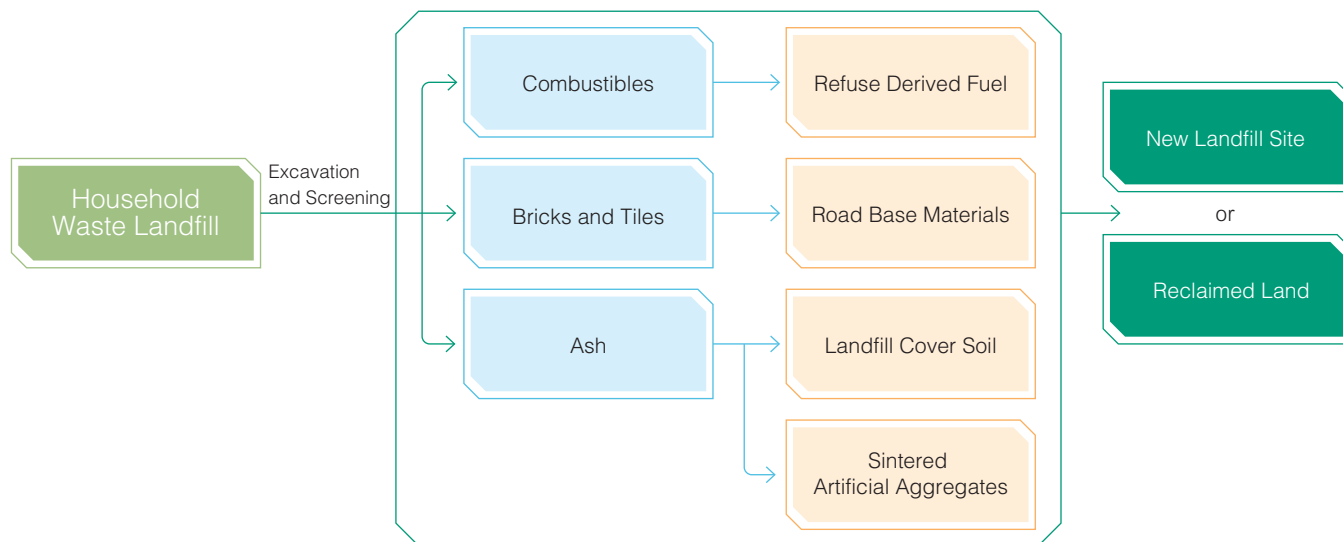
**Huangshi
Electronic
Hazardous
Waste Resource
Utilisation Project**

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

“Sustainable Landfill” Model

The Group actively explores the comprehensive remediation of landfills, viewing them as “resource mines” to establish a “sustainable landfill” model, which creates new business development opportunities for the Group.

Sustainable landfilling enables the reutilisation of landfill sites and mined waste from landfills. During the process of extracting and screening landfill-mined waste, the Group develops methods to maximise its utilisation. The land reclaimed through landfill-mined waste extraction can be reused for the disposal of fresh waste, allowing landfills to operate cyclically. This process not only generates additional revenue, increases landfill capacity, and extends the lifespan of existing sites, but also improves anti-seepage layers, removes hazardous waste, and reduces post-closure maintenance and supervision costs. These efforts are highly significant for conserving land resources and reducing investments in landfill construction.



Energy Management

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



At the same time, our environmental protection projects have implemented measures tailored to their specific operating conditions and local circumstances to reduce total energy consumption, optimise the energy mix, and thereby reduce GHG emissions.

Integrated Biomass Utilisation Projects

Key Energy-Saving Measures:

-  Minimising downtime at biomass and waste-to-energy projects to lower fuel and power consumption during start-up and shutdown, thereby reducing reliance on purchased electricity
-  Optimising waste bunker management for waste-to-energy generation to improve the calorific value of furnace fuel, thus reducing the consumption of auxiliary fossil fuels
-  Maximising the local sourcing of fuel in suitable regions to reduce fossil fuel consumption associated with biomass transport
-  Optimising flue gas purification process technique to reduce energy consumption
-  Optimising and retrofitting equipment such as air compressors, SNCR spray guns, and fly ash chelation systems to reduce energy consumption
-  Fully utilising on-site heat sources, including boiler residual heat, for winter insulation of waste bunkers and for heating exchange stations

Hazardous and Solid Waste Treatment Projects

Key Energy-Saving Measures:

-  Implementing intelligent power supply retrofits at plant sites to ensure rational energy allocation.
-  Leveraging smart energy storage projects to perform multiple charge/discharge cycles, thereby optimising electricity usage
-  Constructing on-site distributed solar energy facilities to optimise energy mix
-  Aggregating materials input for production to minimise boiler start-up/shutdown frequency, reducing both electricity and fuel consumption
-  Upgrading equipment and processes, including the installation of variable frequency drives to conserve energy.
-  Optimising production processes and adjusting batching formulas to reduce carbon usage

Environmental Remediation Projects

Key Energy-Saving Measures:

-  Installing solar-energy street lighting at remediation sites
-  Renting containerised mobile housing to minimise the number of power-consuming units and facilities

The Group actively advances the “Five Small Innovations Award” to fully stimulate the technological innovation vitality of its employees. By pooling collective wisdom across operational management, production, and technology, the Group aims to reduce operating costs and carbon emissions, whilst further deepening its energy management practices.

In 2025, the Group's subsidiaries implemented a total of **17** energy-saving retrofit projects, with estimated annual electricity savings of **7,242,000** kWh, effectively driving the Group's green and low-carbon transition.

⚡ Highlights of 2025 Outstanding Energy-Saving Achievements (Excerpt)

Zibo Hazardous Waste Treatment Project Hydraulic Station Cooling Water Retrofit Air Compressor Two-Stage Compression Optimisation 1,500,000 kWh/year	Xinyi Hazardous Waste Treatment Project Circulating Water Pump Impeller Trimming Reducing Ineffective Head 1,200,000 kWh/year	Xiao County Integrated Biomass and Waste-to-Energy Project Air Compressor System Energy-Saving Retrofit 1,074,000 kWh/year
Chuzhou Hazardous Waste Treatment Project Addition of Low-Power Pump Replacing High-Power Pump Usage 648,000 kWh/year	Yancheng Hazardous Waste Treatment Project Implementation of Off-Peak Production Optimisation of Operating Parameters 552,000 kWh/year	Yancheng Hazardous Waste Treatment Project Deacidification Wastewater Pipeline Gravity Flow Optimisation and Online Monitoring 500,000 kWh/year
Zhangjiagang Solid Waste Treatment Project Retrofit of Low-Calorific-Value Waste Liquid Spray Gun Reducing Atomisation Energy Consumption 367,000 kWh/year	Gutian Integrated Biomass and Waste-to-Energy Project Leachate Station System Optimisation Implementation of Off-Peak Operation 259,000 kWh/year	Dangshan Integrated Biomass and Waste-to-Energy Project Demineralised Water Circulating Air Cooling System Retrofit 195,000 kWh/year



- ▲ Feng County Integrated Biomass and Waste-to-Energy Project was recognised as an "Outstanding Project in Energy Saving Management"

Energy Management Case Study

To address the critical issue of high electricity consumption costs in the hazardous waste incineration system, Xinyi Hazardous Waste Treatment Project launched a specialised “One Pump, One Strategy” energy-saving retrofit initiative. The project team conducted comprehensive monitoring and in-depth analysis of equipment data to identify mismatches between pump operating conditions and actual demand. Consequently, they formulated and implemented a customised retrofit plan. Technicians performed precise impeller trimming (reducing from 400mm to 310mm), utilised idle low-power motors to replace the original oversized high-power motors, and appropriately reduced discharge heads. The retrofit systematically optimised the overall performance of key energy-consuming equipment, including circulating water pumps, quench pumps, and scrubber circulating pumps.

The retrofit was fully completed and put into operation in March 2025, successfully achieving an optimal match between equipment conditions and actual demand. Following the retrofit, electricity consumption per tonne of hazardous waste incinerated decreased from 212 kWh to 169 kWh, with estimated annual electricity cost savings of RMB 978,000.

The retrofit successfully demonstrated how to achieve deep energy savings through refined management and micro-technological innovation without large-scale capital expenditure. The “One Pump, One Strategy” precise management model provides valuable, replicable, and scalable experience in cost reduction and efficiency enhancement for hazardous waste incineration projects.

Water Resource Management

The Group is dedicated to reducing reliance on freshwater and actively promoting the large-scale application of reclaimed water reuse technologies. All sewage generated by the Group is treated by municipal sewage treatment plants, treated internally to meet discharge standards, or achieves zero discharge, aiming to minimise the impact of project operations on the local water environment and resources.



In 2025, the Group utilised approximately **10.77** million m³ of reclaimed water provided by third parties, recycled **1.32** million m³ of sewage and rainwater, and **44** projects achieved zero liquid discharge.

The Group has issued the [Water Resources Management Policy](#) to standardise requirements at the Group level, ensuring that all project companies take sufficient measures to control total water consumption and improve efficiency. Strictly implementing national and local policies prioritising water conservation, project companies have adopted multi-pronged measures tailored to their specific conditions to advance water conservation, improve water efficiency, and mitigate pressure on water resources.

Key Water-Saving Measures

Recycling of Sewage and Rainwater

-  Reuse treated sewage and process concentrate in cascades for production processes such as cooling towers, slag remover make-up water, site sprinkling for dust suppression, floor cleaning, and fly ash stabilisation.
-  Collect and reuse rainwater for landscape irrigation and production processes such as circulating cooling towers.

Zero Liquid Discharge Project

-  Actively promote zero discharge of production wastewater in eligible projects, deepen advanced wastewater treatment and reuse technologies, reduce wastewater discharge, and achieve the recycling of water resources.

Equipment Maintenance and Renovation

-  Conduct targeted adjustments to the acid and chemical dosing systems for circulating water to improve operational efficiency.
-  Install online water quality monitoring points in suitable projects to guide water replenishment with data, reducing blind replenishment caused by manual judgment errors.
-  Implement demineralised water system retrofits or steam condensate recovery to tap into the water-saving potential of specific projects.
-  Implement comprehensive inspections and maintenance of water-consuming equipment and pipe networks to prevent leakage and wastage.
-  Optimise water-consuming equipment in living and office areas by installing water-saving fixtures.

Public Education and Water-Saving Management

-  Enhance employees' water-saving awareness through bulletin boards, slogans, training, and other methods to create an atmosphere of full participation in water conservation.
-  Establish a water-saving management organisation, formulate annual water-saving plans, delineate specific water-saving targets, and enhance oversight and evaluation processes.



In 2025, the Group's subsidiaries implemented a total of **23** water-saving renovation projects, with estimated savings of **1,291,000** tonnes of water per year.

 Highlights of 2025 Outstanding Water-Saving Achievements (Excerpt)

Lianshui Biomass Project Acid Dosing For Circulating Water 432,000 tonnes/year	Suqian General Industrial Solid Waste Project Recovery of Disc Filter Backwash Water 183,000 tonnes/year	Fengyang Integrated Biomass and Waste-to-Energy Project Installation of Industrial Wastewater-to-Demineralised Water System 150,000 tonnes/year
Huai'an Integrated Biomass and Waste-to-Energy Project Acid Dosing For Circulating Water 100,000 tonnes/year	Suzhou Biomass Project Reuse of Circulating Water Blowdown 55,000 tonnes/year	Rugao Biomass Project Reuse of Sludge Water From Integrated Water Purifiers 50,000 tonnes/year
Xiao County Integrated Biomass and Waste-to-Energy Project Online Monitoring of Circulating Water to Avoid Imprecise Replenishment 36,000 tonnes/year	Hanshan Biomass Project Collection and Reuse of Leachate From Material Yards 25,000 tonnes/year	Shayang Biomass Project Reuse of Water From Rainwater Collection Pools 18,000 tonnes/year

Water-Saving Retrofit Case Study

To address high water consumption caused by frequent backwashing of disc filters due to fluctuating raw water quality, the Suqian General Industrial Solid Waste Project initiated a targeted water-saving retrofit. Following rigorous water quality monitoring and feasibility analysis to confirm the recovery value of the backwash water, the project team formulated and implemented a retrofit plan. The team installed weirs and submersible pumps at the disc filter backwash drainage ditch to divert backwash water to the inlet of the integrated water purifier for secondary filtration. Once treated to meet standards, the water is returned to the industrial water pool for reuse as production make-up water.

The retrofit was successfully completed and put into operation in July 2025, achieving the recycling of backwash wastewater. Following the retrofit, the project can save approximately 500 tonnes of water per day, with estimated annual cost savings of RMB 235,000.

Characterised by its simple structure and ease of construction, this retrofit delivers substantial economic and environmental value with minimal investment, fully embodying the energy conservation philosophy of “low cost, high return”.

Water Conservation Honours Achievement

No.	Company Name	Water Conservation Honour
1	EB Greentech Biomass Energy (Suzhou) Limited	Anhui Provincial Water Conservation Enterprise
2	Everbright Biomass Energy (Huaiyuan) Limited	
3	Everbright Biomass Energy (Chuzhou) Company Limited	
4	Everbright Biomass Cogeneration (Luan) Company Limited	
5	EB Urban and Rural Renewable Energy (Xiao County) Limited	
6	EB Greentech Biomass Energy (Guoyang) Limited	
7	Everbright Biomass Energy (Hanshan) Company Limited	
8	Everbright Alternative Energy (Dangshan) Limited	
9	Everbright Environmental Energy (Lingbi) Limited	
10	EB Urban and Rural Renewable Energy (Huai'an) Limited	Jiangsu Provincial Water Conservation Enterprise
11	Everbright Biomass Energy (Lianshui) Limited	
12	Everbright Biomass Energy (Xuyi) Limited	
13	EB Urban and Rural Renewable Energy (Guanyun) Limited	
14	EB Greentech Urban and Rural Renewable Energy (Feng County) Limited	Shandong Provincial Water Conservation Enterprise
15	Everbright Biomass Energy (Weihai) Limited	
16	Everbright Biomass Energy (Guixi) Limited	Jiangxi Provincial Water-Saving Benchmark Enterprise, The First Batch of Water Conservation Enterprises in Yingtan City
17	EB Greentech Urban and Rural Renewable Energy (Lintao) Limited	Gansu Provincial Water Conservation Enterprise
18	EB Urban and Rural Renewable Energy (Sheqi) Limited	Sheqi County Water Conservation Enterprise

Concern for Natural Capital

The Group is committed to managing and reducing the environmental impact of its business operations. With rising global awareness that natural capital depletion is a significant source of corporate risk, the Group actively strengthens its management of nature-related issues. We focus on deeply understanding the interconnections between biodiversity and climate change, the potential risks and opportunities arising from reliance on ecosystem services, and the impact of environmental degradation on our operations.

In 2025, the UN Climate Change Conference (COP30) highlighted the interconnections between biodiversity and climate issues, affirming the core role of nature in climate mitigation and adaptation. As a leading environmental protection and renewable energy enterprise, the Group actively seeks opportunities to create a positive impact on nature. Referencing the framework recommendations of the TNFD, we are gradually strengthening nature-related disclosures to practice and deepen our commitment to biodiversity management and natural capital protection.

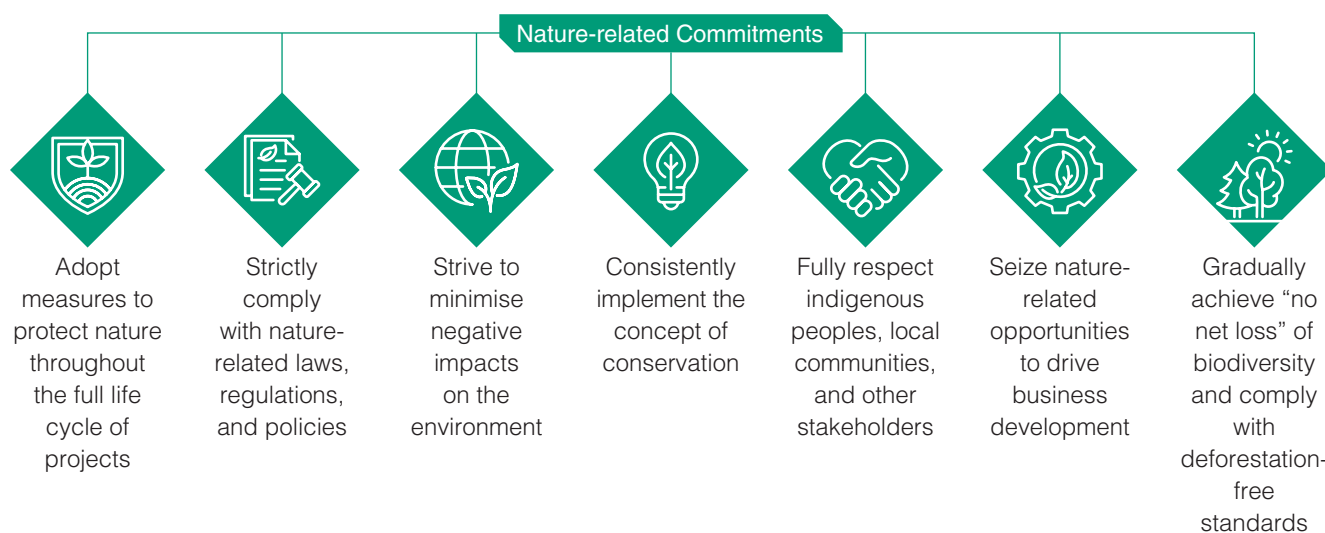
Governance: Continuous Improvement of Nature-Related Policies

The Group fully recognises that corporate development relies heavily on ecosystem services provided by natural capital, while our direct operations and value chain activities also impact nature. Any loss of natural capital weakens ecosystem functions, thereby affecting corporate development and global socio-economic stability. Consequently, the Group has integrated natural capital protection into its core strategy. In 2021, the Group formulated the *Biodiversity Policy* to ensure that all projects with controlling interests conduct biodiversity assessments relevant to their business operations. We also set specific requirements for projects under planning and construction to minimise negative impacts on the surrounding environment and biodiversity.

Under a robust governance structure, the Board and the Sustainability Committee provide overall oversight, striving to effectively manage nature-related impacts, risks, and opportunities. This enables the Group to proactively identify, assess, and manage risks and opportunities in areas such as natural capital protection, ecosystem restoration, and related emissions.

In 2023, the Group officially released the *Nature-related Policy*, which aims to enhance awareness of nature protection and natural capital among employees at all levels. Simultaneously, it drives the Group to grasp the direction of mitigating and adapting to nature-related risks (including biodiversity loss) at an early stage. This allows for the timely review and optimisation of development strategies, thereby effectively avoiding, reducing, mitigating, and managing nature-related risks that could hinder operations or cause financial loss.

The Group is dedicated to conserving and restoring natural capital and promoting biodiversity. We commit to continuously avoiding, reducing, mitigating, and managing the impact of business operations on ecosystems, specifically as follows:

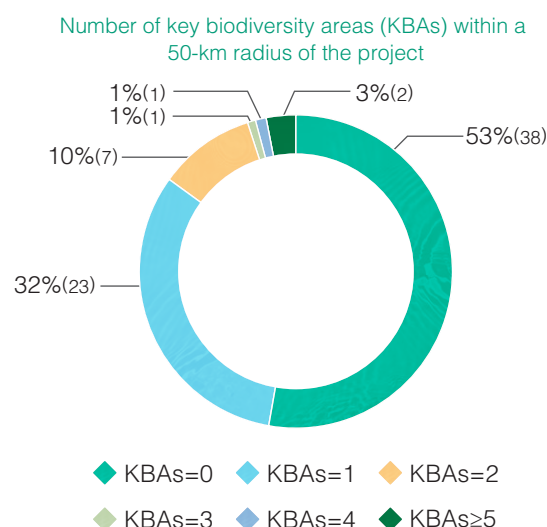
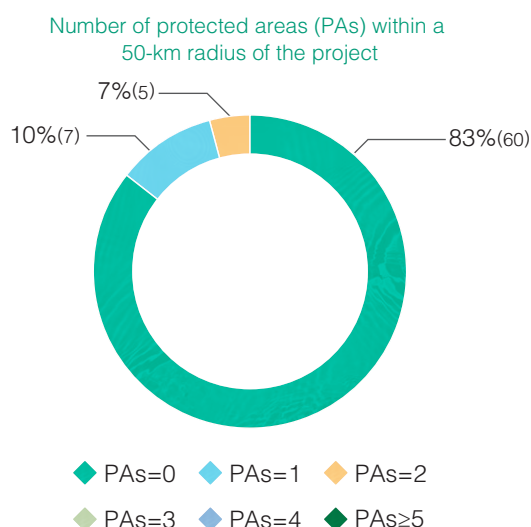


In 2025, referencing the methodology recommended by the TNFD, the Group systematically reviewed the bidirectional relationship between its business and nature. Utilising the Integrated Biodiversity Assessment Tool (“IBAT”), the Group assessed the potential biodiversity impacts of project activities within its operational control against the *IUCN Red List of Threatened Species*, the World Database on Protected Areas, and the World Database of Key Biodiversity Areas. This enables the formulation of effective investment and operational strategies to minimise, as far as possible, the damage caused by the Group’s business to biodiversity.



Strategy: Conducting Risk and Opportunity Assessments

The Group integrates project-related data to analyse the interface between projects and the natural environment. This analysis employs resources such as the IBAT, climate assessment tools, and environmental impact assessment reports.



“PAs” refer to areas protected and managed through legal or other effective means to achieve long-term nature conservation with associated ecosystem services and cultural values. Based on the analysis, approximately 83% of the Group’s projects are located neither within nor adjacent to PAs, approximately 10% and 7% of its projects are located at sites where there are one to two PAs within a 50-km radius. No projects are located adjacent to 3 or more PAs.

“KBAs” refer to sites contributing significantly to the global persistence of biodiversity, encompassing terrestrial, freshwater, and marine ecosystems. Approximately 53% of the Group’s projects are located neither within nor nearby KBAs, approximately 32% and 10% of its projects are located at sites where there are one to two KBAs within a 50-km radius. Only approximately 5% are located adjacent to 3 or more KBAs.

Having clarified our asset positioning, we conducted an in-depth evaluation of the extent to which our core businesses (integrated biomass utilisation, hazardous and solid waste treatment) rely on and potentially impact natural capital. We identified the following key interactions between our core operations and natural capital, which form the basis for subsequent risk and opportunity assessments:

Dependencies

Business continuity is highly dependent on the supply and regulation of local ecosystems

- **Biomass Raw Material Dependence:** Rely on robust agricultural ecosystems to ensure the continuous output and density of raw materials such as straw.
- **Water Resource Dependence:** Biomass utilisation and hazardous/solid waste incineration businesses are highly dependent on water resources. If project operations damage river ecosystems and disrupt water self-purification functions, this will conversely threaten the feasibility of water abstraction for our projects.

Impacts

Operations have a dual impact on the natural environment

- **Positive Impact:** As an environmental protection enterprise, our core business essentially alleviates the burden on nature, promoting resource loops and ecosystem restoration, possessing significant “Nature Positive” potential.
- **Negative Impact:** Water consumption and waste discharge involved in operations, if not properly managed, could cause pollution to surrounding water bodies and soil environments.

Based on the analysis above, the Group identified potential operational and financial impacts caused by nature-related risks from two dimensions: “physical risk” and “transition risk”.

Nature-related Risks		
Physical Risk	Acute	• Frequent typhoons and heavy rainfall may lead to a decline in the quality and yield of biomass, whilst challenging the structural integrity of hazardous waste treatment facilities, directly affecting fuel supply stability and operational safety.
	Chronic	• Regional water shortages and soil degradation will lead to rising cooling water costs and force the expansion of the collection radius for biomass raw materials, increasing upstream logistics carbon emissions and fuel procurement costs. • Large-scale forest degradation will affect forestry development, leading to a decline in the purchase volume of forestry-sourced biomass fuel.
Transition Risk	Policy	• Responding to increasingly stringent environmental regulations and climate policies (including sustainability certification for biomass raw materials, carbon pricing, and biodiversity protection requirements) will lead to increased compliance verification fees and structural adjustments to management costs.
	Technology	• The Group faces capital expenditure pressure for environmental technology upgrades, such as zero wastewater discharge and efficient resource recycling technologies.
	Market	• As the power market increasingly diversifies its choice of green power sources, restricted biomass raw material supply may result in an inflexible power generation cost structure, reducing the price competitiveness of green power products.
	Reputation	• If operational activities cause adverse effects on the natural environment, it may trigger public scrutiny and accountability from regulatory authorities, damaging the Group's image and subsequently affecting business performance.

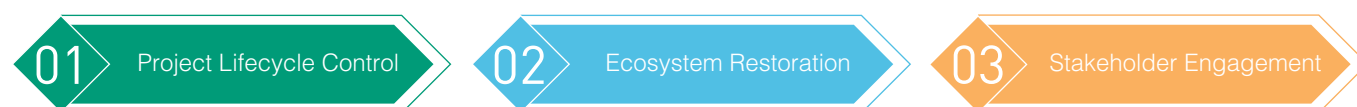
While identifying risks, the Group also focuses on potential opportunities inherent in nature-related issues. Referencing the seven categories of nature-related opportunities proposed by the TNFD, we explore potential directions conducive to business transition and value creation.

Nature-related Opportunities		
Business Performance	Resource Efficiency	Reduce water consumption through technological innovation to directly lower project operating costs and avoid resource shortage risks. Meanwhile, deepen resource utilisation (e.g., waste tyres, hazardous waste recycling), striving to convert various wastes into alternative energy and raw materials, assisting industries in closing the resource loop.
	Products & Services	Utilise the supply of renewable energy, such as biomass, solar energy, and wind power, to provide clients with green electricity and steam, assisting clients in achieving supply chain decarbonisation.
	Market	Seize development opportunities in green finance and carbon trading markets. Realise value conversion through nature-related assets such as carbon credits and green electricity certificates, expanding sustainable business scenarios and creating new growth opportunities.
	Capital Flow & Financing	Leverage strong environmental performance and business characteristics to secure green finance support, reducing financing costs and optimising capital structure.
	Reputation	Align with international organisation initiatives or government policies to proactively disclose nature-related risks and opportunities, and build environmental science education bases to enhance corporate image.
Sustainability Performance	Ecosystem Protection, Restoration & Regeneration	Expand environmental remediation businesses, conducting comprehensive rectification of landfills and watershed ecological restoration, striving to restore damaged environments to a nature-friendly state.
	Sustainable Use of Natural Resources	Promote research on high-value biomass utilisation, assisting the country in building a circular economy model and reducing dependence on and extraction pressure regarding natural resources.

Based on the above assessment results, the Group further defined key nature-related risks, opportunities, and their significance, incorporating the results into decision-making processes such as project operation management, supply chain management, and business transition planning. The Group also utilises assessment results to strengthen resource allocation capabilities, improve energy efficiency, and identify alternative raw materials and technical directions early on, thereby enhancing the Group's overall resilience to natural capital changes (for more details, please refer to the "Addressing Climate Change" and "Technology Development" chapters of this Report).

Natural Risks and Impacts Management

The Group incorporates natural environment protection, climate change response, water resource management, and pollution prevention and control into its overall development strategy. We are committed to strengthening the management and application of natural capital within our business operations. The Group's nature-related management actions revolve around three core areas: "Project Lifecycle Control", "Ecosystem Restoration", and "Stakeholder Engagement". From initial site selection and planning to final operation and maintenance, we strive to identify and control potential impacts on biodiversity at every stage of our business.



01 Project Lifecycle Control

To ensure that the Group's operations do not result in net deforestation or biodiversity loss, we further commit that when operating near critical habitats, project staff shall apply appropriate mitigation frameworks (including avoidance, minimisation, restoration, and offsetting) to protect the local ecological environment. Our projects have embedded the "no net loss" principle into their operational models, promoting nature conservation throughout the entire project lifecycle:

Preparation Stage

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

Construction Stage

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

Operation Stage

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

02 Ecosystem Restoration

Beyond reducing our operational impact on the natural environment, the Group actively leverages its technical expertise to promote the restoration of damaged ecosystems, covering soil pollution remediation, comprehensive rectification of existing landfills, and watershed ecological restoration. We are committed to employing scientific methods to restore damaged areas to a nature-friendly state, rebuilding ecological functions and enhancing environmental resilience.

Currently, the Group has successfully completed **6** ecological restoration projects for municipal solid waste landfills, complemented by the effective implementation of greening initiatives. By employing integrated measures, including vegetation reconstruction and soil improvement, we have achieved a total cumulative greening area of **310,588** m³. This effort not only markedly improves the local ecological environment but also contributes positively to regional ecological management and the conservation of natural resources.



Guangde Household Waste Landfill Project - Before and after restoration



Yingtan Household Waste Landfill Project - Before and after restoration



Restoration of Polluted Sites at Changzhou Tianma Group and Periphery - Before and after restoration

03 Stakeholder Engagement

The Group is committed to integrating biodiversity conservation responsibilities into all aspects of its operations. The aforementioned *Nature-related Policy* applies to all subsidiaries under the Group's operational control and encourages its adoption by affiliated and joint venture companies. We actively strengthen collaboration with suppliers and business partners, monitoring and mitigating risks related to biodiversity loss and deforestation, thereby extending our conservation efforts across the entire supply chain. To this end, we advocate for partners and suppliers to reference the Group's *Nature-related Policy* in collaborative projects, jointly promoting biodiversity protection and the sustainable development of forest resources.

Beyond safeguarding natural ecology and biodiversity at the business project level, the Group actively extends nature conservation concepts to the family lives of our employees. During the Reporting Year, the volunteer team of Sheqi Integrated Biomass Utilisation Project organised multiple road waste cleanup campaigns to improve the quality of the surrounding environment. Meanwhile, Suzhou Biomass Project and Guanyun Integrated Biomass and Waste-to-Energy Project held tree planting activities, effectively extending the concept of biodiversity conservation from projects to the daily practices of our staff.



Integrating Nature Conservation into Employees' Family Lives

To support the biodiversity conservation efforts of the Ocean Park Conservation Foundation Hong Kong, the Group, for the first time, organised an ecological conservation workshop for employees from the Hong Kong and Shenzhen headquarters and their families. Through guided tours, laboratory visits, endangered species observation, and interactive experiences, employees and their children gained a deeper understanding of the impact of human activities on marine life and the importance of marine ecological conservation. This activity not only enhanced employees' and their families' awareness of the value of natural capital but also cultivated the next generation's awareness of biodiversity conservation.



Future Targets and Outlook

The Group recognises that our dependence and impact on natural capital entail both business risks and development opportunities. To this end, the Group has adopted the aforementioned measures to actively address these challenges and has formulated the following future targets:

-  **Increase our positive impact:** Maintain stable core business operations and conduct environmental remediation to solve local environmental issues
-  **Reduce our negative impacts:** Strengthen project operational management and reduce pollutant emissions
-  **Seize development opportunities:** Grasp development opportunities in the environmental remediation business and focus on the application of nature-based solutions
-  **Mitigate nature-related risks:** Maximise internal and external awareness and promote stakeholder participation in our cause of protecting the ecological environment and biodiversity

Promote Green Procurement

The Group actively implements the concept of sustainable procurement across multiple dimensions. By publishing the *Suppliers' Code of Conduct*, the Group has clearly outlined its requirements for suppliers in areas such as environmental protection, health, and safety. This initiative encourages potential suppliers to continuously improve their sustainability performance to meet the Group's procurement standards. Furthermore, the Group remains committed to integrating ESG management strategies throughout the value chain, ensuring the consistent application of quality, environmental, and OHS management at every stage. According to the Group's *Supplier Management Measures*, we evaluate the ESHS performance of suppliers, and this scoring item holds a high weighting. Suppliers with high scores will receive higher ratings and enjoy advantages in the Group's next tender, with a better chance of being included in the invitation list. We also evaluate the operational efficiency of equipment provided by suppliers, focusing on the consumption of water, energy, and other consumables, prioritising equipment and spare parts with low energy consumption.

Electronic Bidding and Procurement

The Group conducts all procurement activities through the electronic tender and procurement platform established by CEEGL, eliminating the use of paper-based tender documents and achieving a paperless procurement process, thereby reducing paper waste. Additionally, both bid submission and evaluation are conducted online, greatly minimising the need for experts to travel for in-person assessments. As a result, fuel consumption associated with business travel has been significantly reduced, making the Group's procurement process more environmentally friendly.

Supply Chain Localisation

When selecting suppliers, the Group prioritises those located in the project's operating area. Localising the supply chain not only enhances suppliers' service efficiency but also shortens transportation distances, thereby reducing carbon emissions during transit. Furthermore, the Group requires all vehicles entering and exiting its facilities to comply with local environmental regulations and to adopt emission-reduction measures wherever possible.

The Group is committed to minimising the use of toxic and hazardous products during project operations to ensure a safe and healthy working environment for employees. Priority is given to environmentally friendly office facilities and consumables with energy-saving features. The Group avoids purchasing excessively packaged products and promotes waste sorting in office areas to facilitate the reuse and recycling of resources such as paper and plastics.

The Group upholds the principle of green operations both internally and externally, requiring all projects to minimise their environmental impact during procurement and daily operations. All procured products and services must comply with relevant environmental laws, regulations, and requirements. In addition, the Group actively promotes sustainable procurement education and vigorously advocates sustainable procurement concepts. Committed to advancing sustainable procurement, the Group will continue to develop its sustainable procurement policies and related guidelines to ensure effective implementation.

Green Finance

In January 2025, the Group successfully issued its first carbon-neutral green asset-backed securities (“Carbon-Neutral Green ABS”), with a total issuance size of RMB 653 million. This product is the first of its kind in the domestic exchange market based on underlying assets of national electricity subsidy receivables, receiving an AAAsf rating from an authoritative rating agency. This issuance optimised the Group’s financing structure. As certified by Lianhe Equator Environmental Assessment Co., Ltd., the proceeds will be used for agroforestry biomass green and low-carbon projects. These projects possess significant carbon reduction benefits and can improve the quality of life and promote local industrial development for local rural residents, effectively implementing the national “Dual Carbon” strategy and corporate social responsibility.

STABLE SUPPLY

Stable Production

Secure and reliable electricity supply serves as the cornerstone supporting the stable operation of the economy and society. According to the *Blue Book on Climate Change in China (2025)* issued by the China Meteorological Administration, the climate system continues to warm, with China's annual average temperature in 2024 reaching the highest level since 1901. Precipitation has also shown an upward trend, accompanied by more frequent extreme weather events, posing severe challenges to the stability of energy supply across multiple provinces. In response to this new situation, the Group has implemented the national directive on "Energy Supply Assurance Plan for the Summer Peak Season" by allocating substantial resources to ensure the safe and stable operation of power plants and reliable power supply. All projects have worked in close coordination with the dispatch requirements of local power grids, ensuring a stable power supply during periods of peak demand. The following measures were adopted:

Strengthening Operational Monitoring and Equipment Management

- Production personnel conducted real-time monitoring of generator units, while specialised personnel for boilers, turbines, and electrical equipment closely monitored operational data and made adjustments based on the actual performance of the units.
- Inspection staff increased on-site monitoring frequencies of key parameters for major auxiliary equipment, including temperature, current, and voltage.
- Safety and environmental personnel enhanced equipment monitoring and patrolling efforts, carrying out comprehensive hazard inspections and rectification measures in critical areas and for key equipment.
- Maintenance personnel reinforced shift duties and prepared for emergency repairs, focusing on enhancing defect management to improve both the quality and timeliness of defect resolution.
- Significant efforts were dedicated to tackling technical challenges to resolve long-standing issues impacting the performance of generator units, with the aim of continuously increasing the "health coefficient" of the equipment.



Enhancing Adaptation to Extreme Weather

- *The Notice on Further Implementing Group Requirements to Ensure Flood Prevention and Safe Production* clearly stipulates that, while prioritising safe production, proactive measures must be taken in advance to guard against typhoons, heavy rainfall, and chikungunya fever outbreaks. Comprehensive hazard identification and rectification were carried out for high-risk areas such as under-construction projects, confined spaces, and low-lying zones. Emergency material reserves were strengthened, and impacts on production continuity were minimised to the greatest extent possible while ensuring safety.



Improving Biomass Raw Material Collection Mechanisms

- Collection channels have been expanded and supplier management optimised, with further development of biomass fuel procurement system in surrounding regions to enhance the flexibility of raw material supply.
- Performance reforms for market operations personnel have been implemented to boost motivation for material sourcing, improve the efficiency of hazardous and solid waste treatment, and support the Group's green and low-carbon development goals.

Customer Services

Integrated Biomass Utilisation Business

The Group's integrated biomass utilisation business has established the *Service Guide for Fuel Customers*, which covers key processes including account opening, delivery and sales, and quality inspection, enhancing the fuel customers' experience and satisfaction. In addition, we regularly conduct fuel customer satisfaction surveys to collect feedback on various aspects such as project fuel procurement services, customer management, feedstock depot management, and probity and self-discipline, based on which continuous improvements are made to fuel procurement work. To ensure fuel quality, the Group requires all project companies to strictly inspect and verify the quality of incoming fuels, thereby enhancing the overall quality of fuel procurement. For example, our Mianzhu Integrated Biomass and Waste-to-Energy Project has established the following mandatory requirements for fuel quality inspection:

- Adhere to the basic principle that no unloading occurs without the presence of quality inspection personnel.
- Inspect internal quality by turning over the material after unloading.
- Uphold fair and impartial inspection principles; resolutely reject vehicles involved in serious cases of adulteration as a punitive measure.
- Ensure no omissions in sampling, deliver samples promptly and maintain proper handover records.
- Implement video recording for quality inspections, record and promptly report "questionable" vehicles and rejected fuel.



Hazardous and Solid Waste Treatment Business

A customer service department has been established at each of the Group's hazardous and solid waste treatment projects, supported by a comprehensive customer service system and framework to maintain positive interactions and foster mutual trust with customers:

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

Environmental Remediation Business

The environmental remediation segment is primarily a service-oriented business. Upon the completion of each service project, satisfaction survey questionnaires are distributed to customers, covering evaluation items such as team communication and service proactivity, construction quality, progress efficiency, construction site safety, environmental and occupational health conditions, project completion acceptance and service performance. We highly value customer feedback and regard it as an important basis for enhancing business capability and service standards. Through customer-centred evaluation mechanisms, we continuously optimise service quality in order to secure more environmental remediation projects.

The Group also actively encourages project companies to obtain international management system certification. Currently, 5 project companies have successfully obtained **ISO 9001** Quality Management System Certification, including Everbright Environmental Hazardous Waste Treatment (Zibo) Co., Ltd., Everbright Greentech Technology (Wuxi) Co., Ltd., Lishui Everbright Environmental Solid Waste Treatment Co., Ltd., Everbright Ecological Remediation (Jiangsu) Co., Ltd. (formerly Suntime Environmental Remediation Co., Ltd.) and Everbright Environmental Remediation (Jiangsu) Co., Ltd.

In 2025, **No** significant complaints regarding products, quality and services were received.

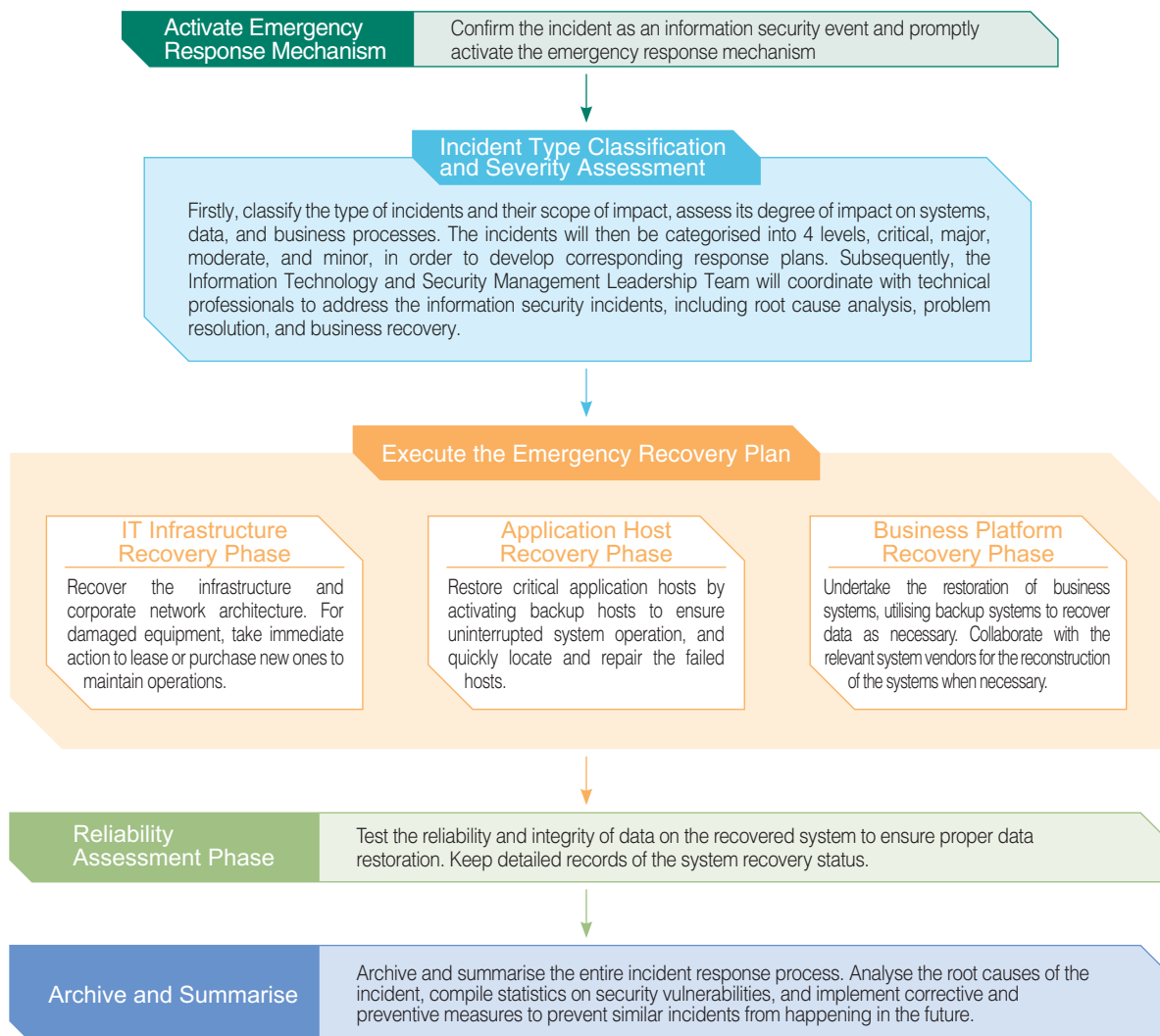
Cyber Security and Privacy Protection

Cyber and Information System Security

The Group directs the development of its information-based systems and cyber security management in strict accordance with the requirements of laws and regulations such as *Cybersecurity Law*, *Data Security Law*, *Personal Information Protection Law*, *Regulation on Protecting the Security of Critical Information Infrastructure*, *Baseline for Classified Protection of Cybersecurity* and *Implementation Guide for Classified Protection of Cybersecurity of Electric Power Information Systems*, as well as the information security policies of the parent company, CEEGL, including *Information Technology Management Administration System*, *Information Security Management Measures*, and *Employee Network and Information Security Handbook*.

The Group closely follows the directives of the parent company's Cybersecurity and Information Security Leadership Team, implements information security strategies and supervises the management of project companies. Concurrently, an Information Technology and Security Management Leadership Team, led by senior management, has been established to coordinate cybersecurity development and ensure the stable operation of information systems. To further strengthen information security governance and enhance defence capabilities, during the Reporting Year, we established an Information Security Working Group responsible for formulating and improving the Company's information security management policies and standards, regularly organising information security training and drills, coordinating and handling of information security incidents, facilitating cross-departmental communication and collaboration, and providing timely feedback on issues and optimisation suggestions through regular reporting mechanisms, thereby continuously strengthening the effectiveness of information security management. In addition, the Group has assigned dedicated/part-time network security management personnel at the business management centres and project companies to strictly regulate the management of internal computers and network equipment, data security, and the use of various systems.

In the event of a cybersecurity incident, the Information Technology and Security Management Leadership Team will classify the incident by scope and severity. Incidents classified as level 3 or above must be reported to the Information Technology Management Department and will require collaboration with the relevant business units to carry out emergency recovery measures.



Cyber Security Supervision and Inspection

In September 2025, the Group conducted a cybersecurity supervisory inspection of its project companies. The inspection adopted a phased approach of “comprehensive online screening with focused offline verification”, covering 25 core indicators across 5 dimensions: implementation of the cybersecurity responsibility system, personnel management, office network protection, industrial control network security, and security operation assurance. This process systematically diagnosed the Company’s cybersecurity management status and a list of deficiencies was formulated upon completion. Project companies were required to establish a rectification register comprising 4 elements — “problem, measure, responsible person, and timeline” — clearly specifying the detailed content of rectification measures, responsible departments, responsible persons, and completion deadlines, to ensure the supervision and follow-up of the rectification of every identified issue.

System Security Assessment

The CEEGL’s Tendering and Procurement Electronic Trading Platform System and Automated Office System, adopted by the Group have passed the Shenzhen Cyber Security Tiered Protection Test and Rating, and have obtained evaluation reports issued by third-party professional institutions. The evaluation results are as follows:

Tendering and Procurement Electronic Trading Platform System	Level 3 (S3A3)	Number of Major Hazards: 0
Automated Office System	Level 2 (S2A2)	Number of Major Hazards: 0

Cyber Security Training

During the Reporting Year, to significantly enhance the Group's capabilities in cybersecurity defence and vulnerability management, the Group arranged for employees to participate in 3 online cybersecurity-related trainings organised by its parent company, CEEGL.

Cyber Security Awareness Training

Coverage: All employees

Training Content:

- Introduction to cybersecurity laws and regulations
- Analysis of the latest domestic and international cybersecurity incidents and trends
- Cybersecurity supervision and safeguards
- Overview of cyber-attack and defence drills
- Cultivation of cybersecurity awareness
- Cyber-attack types (e.g., social engineering and phishing, closed-source attacks, password attacks) and case studies
- Key personal security precautions and behavioural guidelines

Cyber Security Professional Management Training

Coverage: All IT management professionals

Training Content:

- Interpretation of key revisions to the *Cybersecurity Law* to reinforce regulatory awareness
- Explanation of company-level network setup and basic security defence strategies, covering enterprise networking design and firewall technology and applications

During the Reporting Year, the Group organised employees to attend an "Anti-Scam Strategies" lecture organised by the Anti-Deception Coordination Centre of the Commercial Crime Bureau, Hong Kong Police Force. The lecture covered the latest scam trends and real cases, potential personal data privacy risks on smartphones and social media, and tips for safeguarding personal data security.

In addition, the Group's *Code of Conduct* explicitly requires employees to maintain high vigilance against emerging cyber threats involving financial instructions, email verification, and prevention of impersonation of leaders or deepfake scams, further strengthening cybersecurity and anti-fraud defences.

Cyber Security Attack and Defence Drills

The Group places high importance on cybersecurity. During the Reporting Year, all employees participated in a 10-day internal cybersecurity attack and defence drill hosted by its parent company, CEEGL, and strictly implemented the parent company's defence guidelines, requiring employees to guard against phishing emails and social engineering attacks, enforce the use of strong passwords, prohibit the use of remote tools, uninstall unauthorised applications, etc. In response to the weak security awareness among individual employees identified during the drill, the Group promptly followed up on the parent company's group-wide notice by conducting timely awareness training and corrective actions to prevent similar risks.

Cyber Security Training Platform

To continuously enhance employees' cybersecurity awareness and response capabilities, the Group has established a dedicated cybersecurity module in the OA system and synchronously uploaded training materials such as *Employee Network and Information Security Handbook* and *Cybersecurity Awareness Training* to this module, creating an online learning platform for employees to access anytime and anywhere. The platform now brings together a range of practical resources, including illustrated guides such as *Seven Major Cybersecurity Risks at a Glance* and *What Are Phishing Emails and How to Prevent Them*, as well as hands-on materials like the *Cybersecurity Attack and Defence Drill: Employee Self-Check Guide* and the *2025 Cybersecurity Attack and Defence Guidelines*, effectively boosting employees' cybersecurity awareness and emergency response capabilities while building a second line of defence to safeguard the Company's information assets and operational security.

Privacy Protection

As an environmental enterprise, the Group bears the significant responsibility of safeguarding customer and environmental data security, and actively addresses challenges related to cybersecurity and privacy protection. To this end, the Group complies with laws and regulations such as the *Civil Code of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China*, and the *Personal Data (Privacy) Ordinance*, as well as the *Confidentiality Regulations* of the parent company, CEEGL, all of which cover all employees, clients, and suppliers. Meanwhile, the Group has implemented the *Personal Information Collection Statement* and the *Consent Letter for the Handling of Employees' Personal Information* at its headquarters in both Hong Kong and Chinese Mainland. These documents clearly define the purposes of data collection and retention periods, ensuring the privacy of relevant parties, maintaining labour relations, mitigating compliance risks, and committing to ensuring that the personally identifiable information of customers, employees, and other third parties is not used for any unauthorised purposes.

To address the privacy risks associated with generative artificial intelligence, the Group has specifically arranged for employees to participate in the "Privacy Commissioner's Training – Artificial Intelligence (AI)" seminar hosted by the Office of the Privacy Commissioner for Personal Data. The seminar covered topics such as deepfake fraud cases, tips for the safe use of AI chatbots, and corporate best practices, aiming to enhance employees' capabilities in addressing the privacy challenges posed by generative artificial intelligence.

In 2025, **No** major information security incidents occurred (including data breaches and hacker intrusions), and **No** complaints were received about privacy leakage of customers and employees.

Safeguarding Intellectual Property Rights

The Group strictly prohibits employees from downloading, installing, or using any unapproved or pirated software to ensure compliance and mitigate intellectual property risks. To strengthen intellectual property (IP) protection and innovation management, the Group has established the *Measures for Intellectual Property Rights Management* to standardise the management of IP rights, encourage employee innovation and ensure effective protection of intellectual property. The Measures set out clear provisions on IP application procedures, ownership and entitlement, reward mechanisms and disciplinary actions for non-compliance, in order to motivate employee innovation and facilitate the promotion and application of technological achievements. The document also provides the following important provisions and guidelines:

- All units are required to enhance awareness of IP protection during technological development and cooperation by establishing and improving employee confidentiality agreements and confidentiality-related reward and penalty mechanisms, as well as implementing systems for managing the access, filing, and archiving of technological data and IP-related documents, all aiming at preventing the unauthorised disclosure of core technologies.
- Technical, economic, and trade contracts and documents should clearly define the allocation of entitlements to the outcomes of inventions between the third parties, especially the ownership of patent application rights, patent ownership, and the rights to patented technologies.
- Before making decisions on projects involving significant interests such as project investments, technology R&D, technology introduction, equity or cooperative joint ventures, product marketing, patent applications, and rights protection, units or project teams should fully utilise technological databases and intellectual property announcements to conduct comprehensive research and technical analysis, assess risks, avoid infringement disputes, and ensure IP protection spans the entire process of project initiation and implementation to outcome protection and industrialisation.

In 2025, the Group's subsidiary, Everbright Ecological Remediation (Jiangsu) Co., Ltd., obtained certification for its intellectual property management system under GB/T 29490-2013.

In 2025, **No** incidents of intellectual property infringement, misappropriation, or leakage of confidential technology occurred.

Supply Chain Management

The Group upholds the principles of fairness and transparency in its management approach, strictly adheres to the QEHS Management System and supplier management standards established by its parent company, which include the [ESG Policy](#), [Supplier Management Measures](#), [Safety, Health, and Environmental Management Regulations for External Partners](#), [Procurement Management System](#), [Tendering and Procurement Management Measures](#), [Measures for Non-tender-based Procurement](#), [Supplier Code of Conduct](#), and the Sunshine Statement. Before selecting suppliers and contractors, we conduct a comprehensive evaluation to thoroughly assess their performance capabilities, environmental and social responsibility practices, service quality, and management philosophy. Through a rigorous selection process, we ensure that only the most exemplary partners join our collaboration network, working together to drive the Group's sustainable development and long-term success.

The Group has also implemented a stringent supplier selection and management system, fostering close communication and collaboration with suppliers to mitigate procurement risks and promote responsible sourcing. Additionally, we leverage the CEEGL's tender and procurement e-trading platform to introduce an innovative online bidding model, strengthening oversight and management of the bidding process to diligently prevent non-compliance and misconduct.

ESG Policy

The Group is committed to continuously conducting due diligence on materials within the supply chain by formulating and implementing specific due diligence policies and management systems to identify risks and take appropriate mitigating actions. By taking a systematic approach to regulate suppliers' conduct across economic, environmental, and social dimensions, the Group encourages and supports suppliers in enhancing the sustainability performance of the supply chain, thereby facilitating the implementation of social responsibilities across the entire supply chain.

- **Governance:** Suppliers must strictly adhere to local and international laws, including anti-corruption regulations, to ensure the highest standards of legal and ethical integrity of business conduct.
- **Social:** Suppliers are committed to safeguarding labour human rights and respecting workers in accordance with international human rights standards. This includes prohibiting child labour, forced labour, and protecting fundamental rights. Suppliers must also adhere to the Group's policies regarding freedom of employment, working hours, wages and benefits, humane treatment, and the maintenance of a non-discriminatory work environment.
- **Environmental:** Suppliers must comply with the Group's environmental permits and regulatory requirements, enhance monitoring of their operations, and minimise pollution and negative impacts on the community and environment.

Supplier Management Measures

The Group has established a comprehensive supplier management framework that clearly defines suppliers' responsibilities, classifications, and evaluation criteria. This framework outlines the onboarding process for new suppliers, ongoing management protocols, and detailed regulations for handling underperforming suppliers, including penalties for non-compliance.

During the annual evaluation process, suppliers are categorised into A, B, C, and D levels based on factors such as their professional capabilities, financial stability, and compliance records. Suppliers in the lowest level (D) who fail to demonstrate their ability to meet the Group's requirements may face termination of their partnership with the Group.

Additionally, the Group enforces an integrity management system for suppliers, maintaining records of any breaches of trust or misconduct. Depending on the severity of such infractions, suppliers may be placed on a non-compliant supplier list or a blacklist.

Supplier Code of Conduct

The Group has established primary behavioural standards for suppliers, outlining the minimum standards that each supplier must adhere to when engaging in commercial cooperation. This includes a commitment to uphold labour rights and respect workers in accordance with international human rights standards. Suppliers are also required to comply with the Group's stipulations regarding freedom of occupational choice, the prohibition of child labour, working hours, compensation and benefits, humane treatment, and non-discrimination, among others.

Safety, Health, and Environmental Management Regulations for External Partners

Adhering to the principle of “accountability lies with the person in charge”, the Group fully integrates all external partners, including contractors, subcontractors, suppliers, and external workers, into our QEHS Management System, implementing full life-cycle safety and environmental supervision. Qualification requirements are clearly defined during the bidding and contract signing phases. Through signing safety responsibility agreements, establishing safety deposits, and implementing specific insurance mechanisms, we aim to strengthen the economic constraints and risk-bearing capacity of external partners. At the execution level, differentiated management is implemented based on categories such as engineering construction, operation and maintenance, and logistics. For high-risk activities such as hot work, confined space operations, and working at heights, strict work approval, technical briefings, and dedicated supervision systems are enforced. Furthermore, the Group mandates that all external partners complete a “Three-Level Safety Training” before entering the site. They are also required to regularly participate in routine safety meetings and emergency drills to ensure they are fully familiar with on-site Standard Operating Procedures (SOPs) and emergency response measures. Ultimately, the Group promotes the deep implementation and closed-loop management of safety standards through daily inspections and dynamic evaluation mechanisms.

Supplier Management Process

Supplier Screening and Selection

The Group identifies and selects new suppliers in a standardised manner, following the provisions and guidelines outlined in the *Supplier Management Measures*. For suppliers expressing an intention to partner with the Group, procurement management departments at various levels conduct investigations and assessments to evaluate their eligibility for inclusion in the supplier list. After the initial investigation, prospective suppliers are required to arrange on-site or off-site inspections, during which their quality standards, delivery capacity, pricing, technical capabilities, service quality, user feedback, and environmental and social performance are assessed. Only after stringent evaluation and selection are suppliers added to the supplier list.

To continuously improve the procurement tender system, the Group has formulated and published the *Procurement Management System*, *Tendering and Procurement Management Measures*, and *Measures for Non-tender-based Procurement*, aiming to standardise and ensure compliance in the procurement tender process while enforcing stringent regulation and management of all procurement activities to promote responsible sourcing. Supplier selection is finalised through public bidding, invited tendering, price inquiries, or directional negotiations in accordance with the established system.

Supplier Supervision and Evaluation

For suppliers with established partnerships, the Group closely monitors and inspects their performance following the awarding of tenders, conducting both dynamic and annual assessments.

Dynamic assessments follow the timing and scoring system outlined in the *Supplier Management Measures*. Annual assessments are conducted year-end to the beginning of the following year, providing comprehensive ratings based on the results of dynamic assessments. During the Reporting Year, the Group rated 8 suppliers with scores below 65 as Grade D suppliers, placing them on the disqualified suppliers list for a period of 1 year. These suppliers may reapply for admission only after the penalty period has expired and relevant rectification measures have been implemented.

During the Reporting Year, the Group removed certain suppliers from the supplier database or placed them on the blacklist based on the results of dynamic and annual assessments, adhering to the principles of fairness and impartiality. According to statistics, a total of 159 suppliers, at both the headquarters and project levels, were penalised for violations, including bid rigging, bidding under the name of other parties, commercial bribery, use of improper channels for purchasing spare parts resulting in safety and environmental risks, and non-compliance with quality standards for environmental consumables.

Maintain Communication with Suppliers

All our potential suppliers have signed the *Sunshine Statement* during the tendering process. The *Sunshine Statement* includes declarations prohibiting activities such as the transfer of illicit benefits, unfair competition, and bribery, among others. It also provides a dedicated email address and telephone number for reporting misconduct.

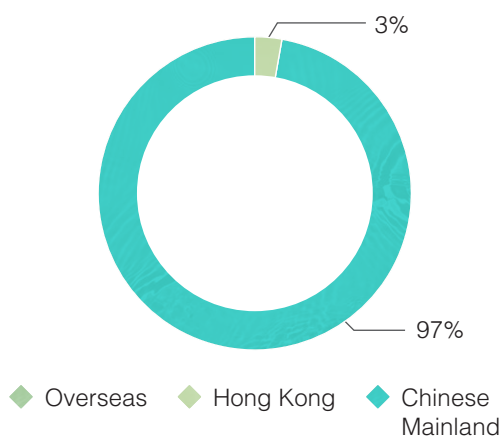
All integrated biomass utilisation projects have issued the *Advocacy to Customers*, which publishes the email address and telephone number for reporting and complaints. These details are also prominently displayed at conspicuous locations within plant sites to encourage fuel customers to report any misconduct by fuel procurement personnel, thereby promoting “Sunshine Procurement”.



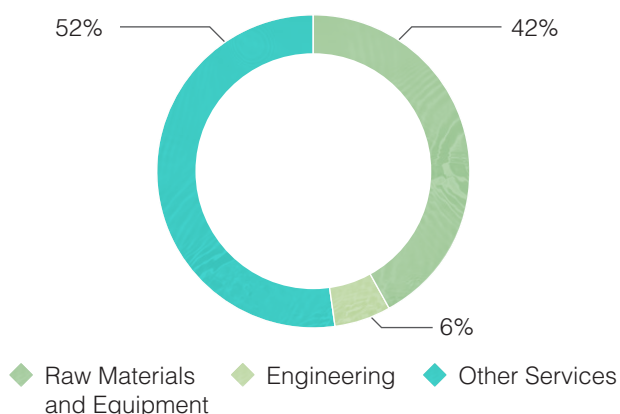
2025 Supplier Data

As of 31 December 2025, the Group had a total of 3,155 suppliers.

Number of Suppliers by Region



Number of Suppliers by Category



Supplier Sustainability Risk Assessment

In light of the increasing global emphasis on sustainable development, the Group is committed to embedding this principle into our business operations and supply chain management. To better understand and manage potential risks within the supply chain, we engaged independent consultants to evaluate the quality, environmental, and OHS performance of our suppliers. In 2025, we assessed 182 key suppliers, primarily those providing products and services related to electrical equipment, engineering construction, and air system technology. The evaluation covered suppliers' qualifications in production, operations, and safety, as well as the management systems they have established for quality management, environmental protection, and social responsibility.

This sustainability risk assessment highlights the Group's achievements in supply chain sustainability management. All participating suppliers reported no instances of business litigation arising from environmental or social issues, nor have they been subject to prosecution or fines by the relevant regulatory authorities. The majority of suppliers have either obtained or are actively pursuing key international certifications, including ISO 9001, ISO 14001, and ISO 45001. Notably, 57% of suppliers have established and implemented occupational health and safety policies and provided relevant training to their employees. Furthermore, all surveyed suppliers indicated that no safety incidents occurred in the past 3 years. The risk assessment also identified no risks related to child labour or forced labour within the supply chain.

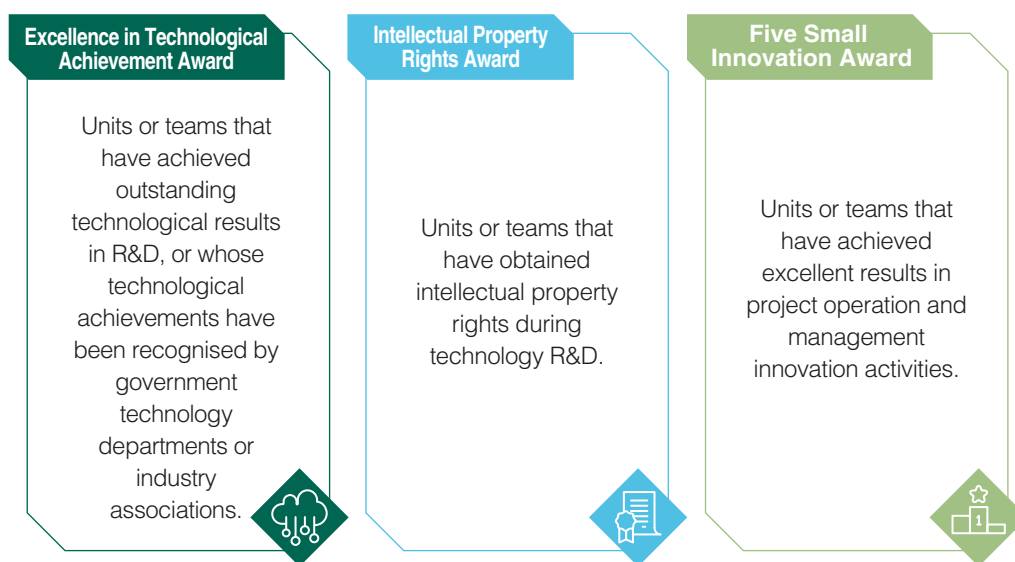
The Group engaged independent consultants, together with our internal management team, to conduct substantive assessments aimed at identifying and evaluating suppliers' environmental and social risks. This process enabled the Group to delineate sustainability risks at each stage of the supply chain. The team assessed sustainability risk factors and issues across various dimensions, including environmental performance, quality management, occupational health and safety, employee training, and human rights policies. By collecting and analysing supplier-provided data, the Group identified the most significant risk factors and issues.

To assess supplier performance in ESG aspects, the Group categorised supplier risks into 3 levels: low, medium, and high. In this assessment, 96% of surveyed suppliers were classified as low risk, whilst the remainder fell into the medium risk category, with no suppliers identified as high risk. To assist medium-risk suppliers in improving their management practices, the Group actively explored their circumstances and provided recommendations to ensure risks are effectively controlled. The Group will continue to monitor supplier performance closely and maintain transparent communication with all stakeholders to ensure the sustainability of the supply chain.

TECHNOLOGICAL DEVELOPMENT

The Group has established EB Greentech Technology Services (Jiangsu) Co., Ltd. to be responsible for technology R&D and management. This is complemented by systems such as the *Measures for the Management of Technology R&D Projects*, *Measures for the Management of R&D Equipment*, *Measures for the Reward of Technology R&D*, *Measures for the Reward of Technological Innovation* and *Measures for R&D Project Appraisal* to ensure the steady advancement of technological innovation work.

The Group actively participates in industry organisations to jointly draft and publish industry standards, while conducting in-depth research into the current status and future trends of industry development. Meanwhile, to fully incentivise technical personnel to practice innovation, the Group implements a dual mechanism of spiritual and material rewards to commend teams that have achieved outstanding technological results. The following 3 major awards have been established:



Technology Optimisation and Upgrading

In the field of technology R&D, the Group closely monitors actual project needs, focusing on resolving operational challenges and enhancing efficiency. We actively promote the optimisation and innovation of technologies and products. Through internal initiatives and external government-commissioned projects, and in collaboration with universities and research institutions, we have conducted a series of technical engineering and specialised research studies.

Energy Conservation and Emission Reduction

-  Ultra-low emission upgrading for biomass projects
-  Resource utilisation of biomass ash (for details, please refer to the “Green Recycling” chapter on page 86 of this Report)
-  Research on ultra-low emission technology for incinerator flue gas and high-efficiency low-nitrogen combustion technology for biomass boilers
-  Integrated mid/high-temperature selective catalytic reduction (“SCR”) denitrification technology for biomass boiler
-  Development of high-temperature multi-feedstock dry anaerobic fermentation processes

Strengthening Core Business Competitiveness

-  Research on the optimised utilisation of pyrolysis oil and carbon char in end-of-life tyre resource utilisation projects
-  Development of dry thermophilic anaerobic fermentation processes and ancillary equipment for biogas production from straw feedstock
-  Research and engineering demonstration of two-step saccharification technology for biomass straw using hyper-concentrated acid
-  Other directions for research: soil improvement agents, synergistic degradation of waste leachate, functional microbial bacteria agent, etc.

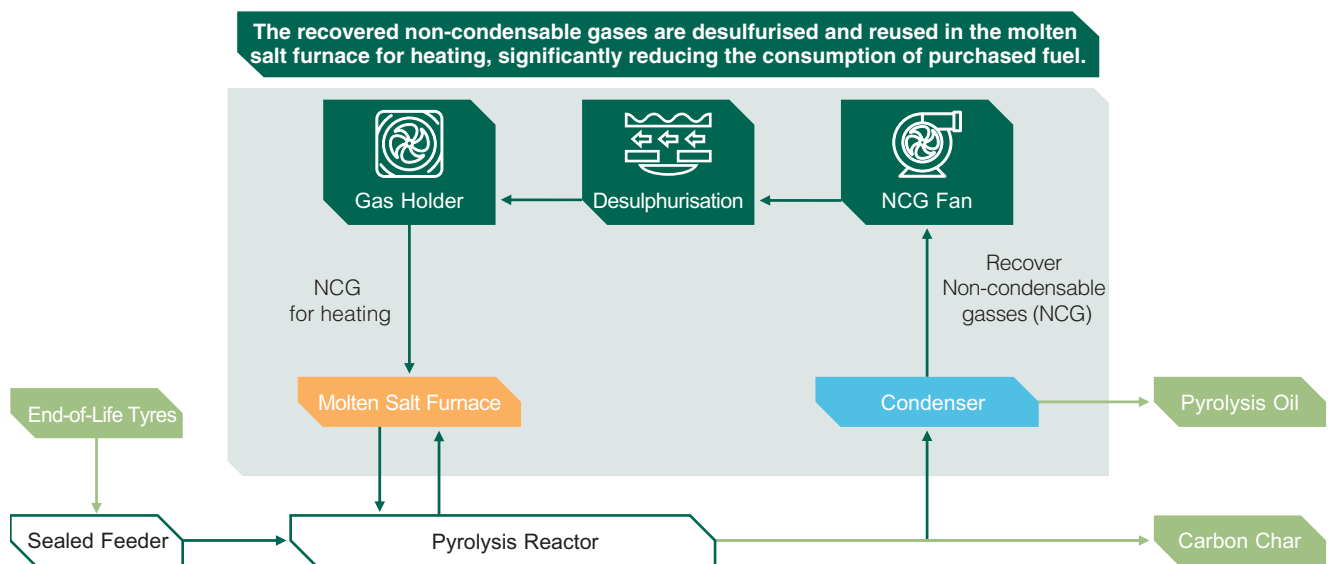
Ultra-low Emission Technology: A Win-Win for the Environment and Costs

To address issues such as insufficient combustion stability in biomass boilers, high concentrations of incomplete combustion products in flue gas and catalyst blockage or poisoning in denitrification, the Group independently introduced the “integrated mid/high-temperature selective SCR denitrification technology”. By optimising combustion conditions and improving catalyst performance, this technology has effectively enhanced denitrification efficiency and reduced operating costs. This technology has been promoted and applied across multiple biomass projects of the Group, including Lianshui, Huai'an, Rugao, Shayang, Xiayi and Suzhou. It saves approximately RMB 10 million in annual operating costs, significantly reducing nitrogen oxide emissions and flue gas treatment expenses. Looking ahead, we will proceed with the retrofitting of 16 water-cooled vibrating grate boilers, which is expected to generate further annual savings of approximately RMB 50 million.

Taking Zhongxiang Biomass Project as an example, both environmental and economic performance have improved significantly following the retrofit. After the retrofit, the project's NO_x emission concentration has been reduced to below 50mg/m³, with ammonia slip below 3ppm and ammonia hydroxide consumption reduced by 70% compared to pre-retrofitting levels. Overall, the project can reduce NO_x emissions by approximately 48 tonnes annually (representing a reduction of approximately 48.5% based on the 2024 NO_x emission volume of 99 tonnes) and reduce ammonia slip by approximately 60 tonnes. The retrofitting cost was RMB 12 million lower than that of the traditional “high-temperature dust removal + SCR system” treatment process, while annual operating costs decreased by RMB 500,000 compared to pre-retrofitting levels.

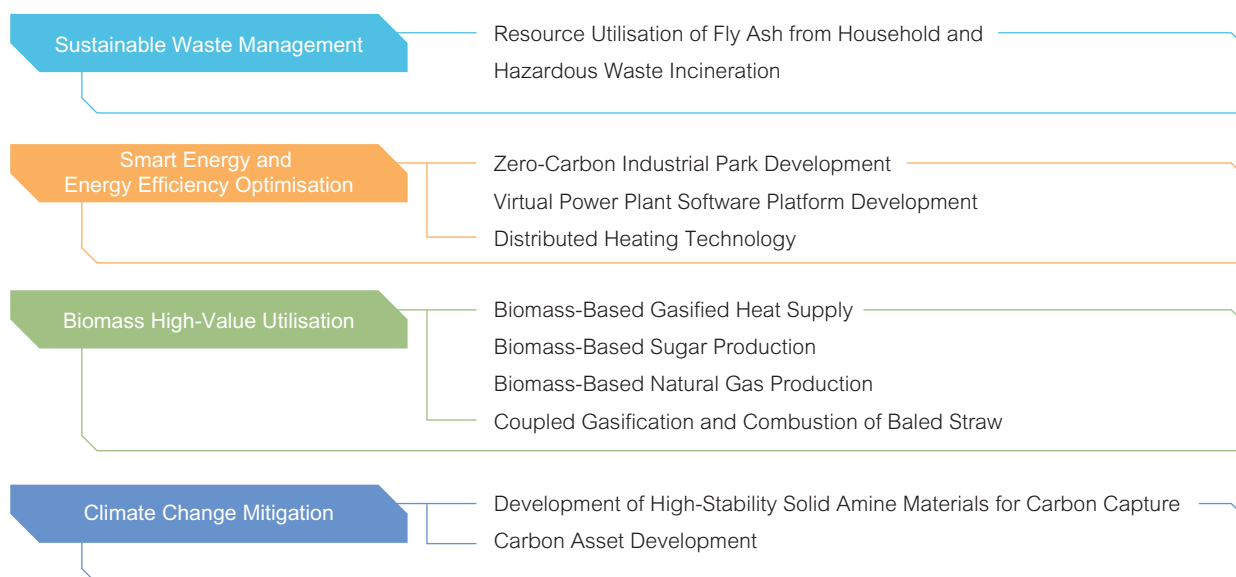
Molten Salt Furnace Pyrolysis for End-of-Life Tires: World-Leading Technology

The Group has independently developed molten salt thermal pyrolysis equipment. Through segmented internal spiral propulsion technology, we have significantly increased pyrolysis oil yield and reduced the equipment footprint, leading to substantial improvements in overall energy efficiency and resource utilisation rates. This technology has been successfully applied in the Hubei Huangshi End-of-Life Tyre Resource Utilisation Project, providing an efficient and low-carbon innovative solution for the green recycling of end-of-life tyres.



Driving Technological Innovation

To achieve sustainable development goals, the Group has consistently invested in research and development for technological innovation projects. Key focus areas include waste management, renewable energy, distributed energy systems, biomass conversion, and carbon capture. Leveraging technological innovation as a driving force, the Group actively explores new business models that balance economic feasibility with social value, thereby achieving both green development and enhanced productive capacity.



During the Reporting Year, the Group continued to promote scientific innovation and increase R&D investment. The Group invested approximately RMB 18.12 million in R&D across key areas such as carbon reduction and emission control, energy conservation and consumption reduction, efficiency improvement, low-carbon technology and product R&D, low-carbon business model development, and resource recycling.

In terms of intellectual property, during the Reporting Year, the Group applied for 32 patents (including 24 invention patents and 8 utility model patents) and was granted 37 patents (including 25 invention patents and 12 utility model patents). As of 31 December 2025, the Group held a total of 134 authorised patents, including 74 invention patents, 55 utility model patents, and 5 software copyrights.

As one of the leading enterprises in the environmental protection industry, the Group actively fulfils its corporate responsibilities and leads the industry towards higher standards and levels of development. During the Reporting Year, the Group participated in the compilation of 2 group standards, as detailed below:

No.	Standard Name	Category	Standards Authoring Organisation
1	Safety Specifications for Production and Digital Intelligence of Electricity and Heat Cogeneration Projects	Group Standard	29 organisations including EB Greentech Technology Service (Jiangsu) Co., Ltd., EB Greentech Management (Shenzhen) Company Limited, Ningbo Energy Group Co., Ltd. and Shandong Thermal Power Design Institute
2	Technical Specifications for Bio-natural Gas Production	Group Standard	7 organisations including Guangzhou Huantou Yongxing Group Co., Ltd., EB Greentech Technology Services (Jiangsu) Co., Ltd., Jinhong Gas Co., Ltd., Tianjin Panhua Energy Environment Technology Co., Ltd. and Beijing University of Civil Engineering and Architecture

Development and Application of High-Stability Solid Amine for CO₂ Capture Technology: Successfully Passed Government Acceptance

The Group collaborated with the Southern University of Science and Technology and the Everbright Environment Research Institute to jointly undertake the Shenzhen Science and Technology Plan Project titled *R&D on Key Technologies for High-Stability Solid Amine CO₂ Capture Material Synthesis and Application Equipment*. This project successfully passed the acceptance inspection by the Science, Technology and Innovation Bureau of Shenzhen Municipality in December 2025.

The technical achievements have been successfully applied to the Group's Xiayi Integrated Biomass and Waste-to-Energy Project, where a CO₂ capture system with a designed capacity of 1,000 tonnes/year was constructed. Following commissioning and data verification, the system achieved a CO₂ capture recovery rate of over 95% and an outlet purity of over 90%, providing significant technical support for the low-carbon transition.

“Zero-Carbon Industrial Park + Virtual Power Plant” Business Model

Against the backdrop of national policies promoting zero-carbon industrial parks, the Group has actively developed an integrated “Zero-Carbon Industrial Park + Virtual Power Plant” business model centred on the biomass comprehensive utilisation sector since 2023. This initiative accelerates the transformation of the energy structure and intelligent management within industrial parks.

Zero-Carbon Park Practice

Centred on “full-chain carbon reduction and intelligent carbon control”, the Group innovatively constructed a collaborative system integrating biomass energy with various technologies to provide systematic solutions for net-zero emissions across the industrial park value chain. By utilising agro-forestry biomass cogeneration projects to provide clean and stable green steam, and combining rooftop solar energy, energy storage systems, and charging stations, the Group established a distributed green energy supply system. Furthermore, through a smart energy and carbon emission management platform, the Group achieved real-time monitoring, dynamic optimisation, and precise accounting of energy consumption and carbon footprints.



Virtual Power Plant Technology Application

The Group has fully established and operationalised its virtual power plant aggregation platform and green power trading platform. By integrating distributed power sources, energy storage equipment, and controllable loads, the Group ensures resources are “observable, measurable, controllable, and adjustable”, continuously providing energy conservation and carbon reduction services to industrial parks.

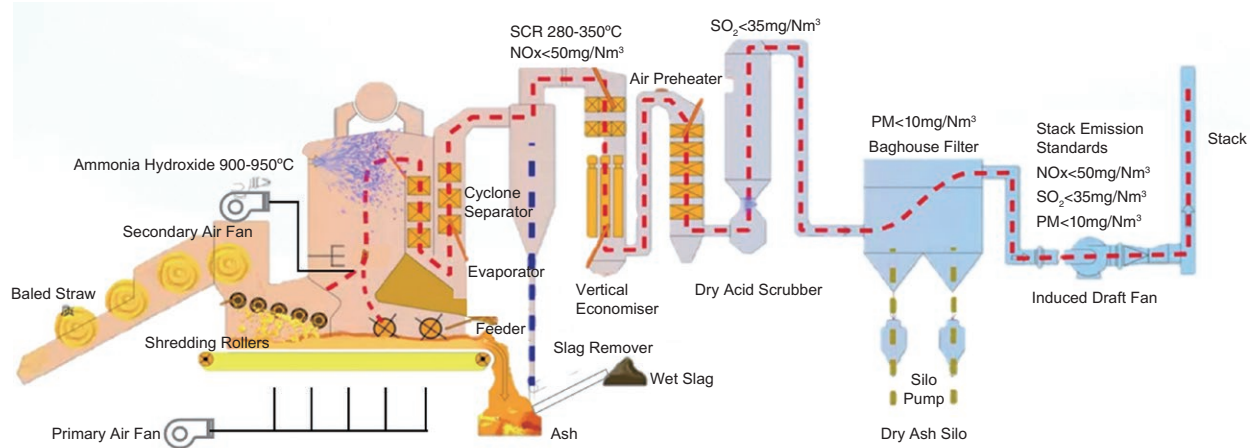


During the Reporting Year, the Group further upgraded the “Virtual Power Plant + Electricity Trading” application:

- Developed an electricity trading decision-support platform utilising advanced information and communication technology and data analysis to track and accurately predict power.
- Actively promoted market registration for the Jiangsu virtual power plant, aggregating internal and external resources such as distributed power sources, energy storage, and adjustable loads, thereby laying a foundation for future participation in peak shaving and frequency regulation in the power market.

High-Value Biomass Utilisation: A Low-Cost, High-Efficiency Technology for Coupled Gasification and Combustion of Baled Straw

To address bottlenecks in the development of centralised biomass cogeneration, the Group independently developed “high-efficiency technology for coupled gasification and combustion of baled straw”. This allows for the direct utilisation of straw without the need for unpacking or crushing, reducing investment and operating costs by approximately 20% to 30% and improving the plant environment. Adopting a coupled gasification and combustion process, this technology effectively suppresses NO_x emissions. It features high adaptability to fuel moisture content, high combustion efficiency, flexible start-stop capabilities, and low investment costs, offering significant market competitiveness. Currently, this technology has been successfully applied in the Group’s Xuyi Biomass Project with excellent operational results, significantly reducing comprehensive costs and enhancing energy conservation and emission reduction.



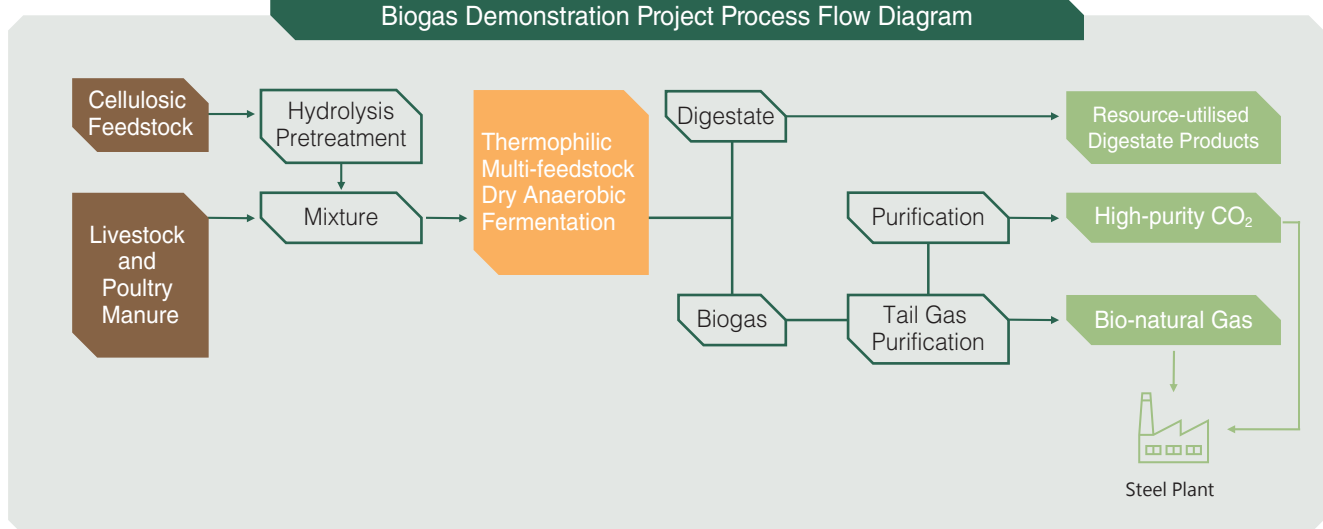
Bio-natural Gas: A Revolution in Zero-Carbon Metallurgy

The Group actively promotes the application of low-carbon technologies in energy-intensive industries by introducing the *high-temperature multi-feedstock dry anaerobic fermentation process* to the metallurgical industry. This process features low system energy consumption, low biogas slurry production, high gas production efficiency, and high fermentation concentration. The Group successfully applied this technology to the CITIC Jingjiang Special Steel Project, driving the construction of the country's first near-zero carbon green metallurgical industrial chain and providing innovative solutions for the low-carbon transition of the metallurgical industry.

Located in Jingjiang City, Taizhou City, Jiangsu Province, the project involved a total development investment of approximately RMB 60 million. It has a design capacity to process approximately 50,000 tonnes of biomass annually and produce 10 million m³ of green natural gas per year. With high-temperature multi-feedstock anaerobic fermentation as the core process, combined with advanced technologies such as dry desulphurisation, chemical decarbonisation, and deep dehydration, the project ultimately supplies bio-natural gas via pipelines to ensure efficient and clean energy utilisation. As a demonstration project integrating biomass energy with the metallurgical industry, its successful implementation will help Everbright Greentech further expand the market for high-value biomass utilisation while providing a model of supporting facilities for the green transition of the traditional metallurgical industry.



Biogas Demonstration Project Process Flow Diagram



Digital Transformation

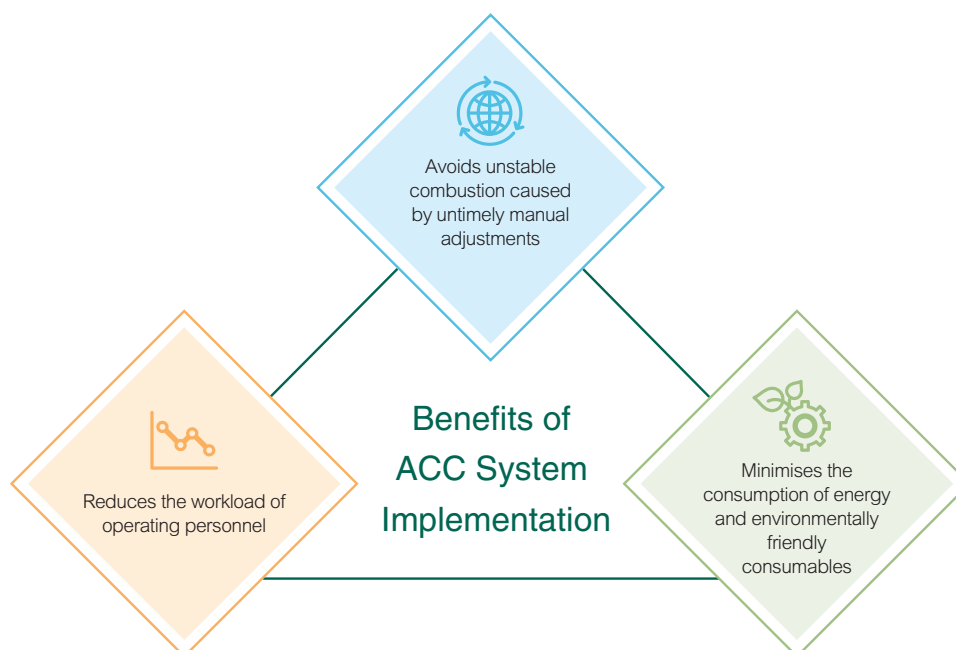
Enhancing Safety Management Capability

Smart Safety Defence System: Centred on an AI algorithm engine, algorithm management platform, and algorithm development training platform, this system provides customised video intelligent surveillance solutions based on actual scenarios at project sites. By designating ROI, building identification models, and identifying unsafe behaviours and environments, the system issues instant safety warnings, helping to eliminate hazards and prevent accidents. Currently piloted at the Group's Huangshi and Dingyuan projects, preliminary system construction and partial model training have been completed, including the identification of unsafe behaviours (e.g., wearing of safety helmets, falls) and unsafe environments (e.g., smoke and fire identification). For more details, please refer to pages 54 to 71 of the "Safe Production" chapter in this Report.

Big Data O&M Platform: Combining big data technology with intelligent algorithms, this platform achieves refined management of photovoltaic power stations from equipment monitoring to the full life cycle. By collecting real-time operational data from core equipment such as inverters and modules, the platform establishes health models, transforming "post-event maintenance" into "pre-event warning", effectively preventing fire hazards and reducing unplanned downtime. Regarding O&M scheduling, the system intelligently matches personnel and materials and optimises inspection routes, which is expected to reduce O&M labour costs by approximately 20% to 30%. Furthermore, the platform covers equipment residual value assessment and compliance management, providing strong data decision support for asset value preservation and appreciation as well as safe production at the power plants.

Improving Operation Efficiency

Automatic Combustion Control ("ACC") System: Boiler combustion is logically controlled by the ACC system, which automatically controls grate movement and air volume to ensure more precise combustion and a more stable combustion curve. Currently, the system is undergoing a trial run at the Group's biomass project in Huai'an, where fine-tuning and testing of one boiler have been completed. Moving forward, the Group plans to promote the R&D and application of smart combustion systems for biomass projects.



Enhancing Data Management Capabilities

Integrated Data Management System Development: Led by the parent company, CEEGL, existing information management systems (including production management, procurement, material management, human resources, and financial management systems) were connected and integrated to further enhance data governance. During the Reporting Year, the Group optimised the data management platform, achieving integration with the master data platform, the business-finance integration platform, and the carbon asset management platform. Optimisations were made to reporting content, data extraction logic, and approval workflows within the production management system, realising closed-loop management from initial issuance to final acceptance.

Furthermore, the Group added an indicator system to the production management system of the clean energy sector, unifying indicator templates for various business types and integrating internal data sources to ensure consistency. Since 2024, the Group has adopted the established data platform to collect ESG data. Key operating data can be directly extracted from the production management system, further improving the quality of ESG data.

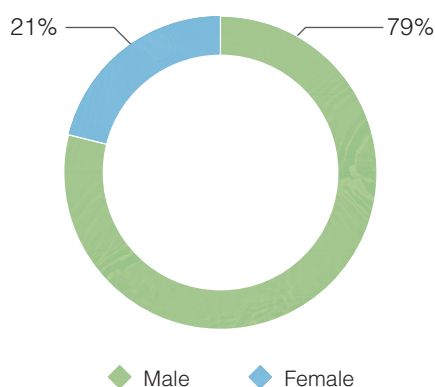
EMPLOYEE DEVELOPMENT

The Group upholds the principle of “people-oriented” value and is committed to creating a diverse, harmonious, fair, and friendly working environment. We respect the race, nationality, religion, disability, and gender of our employees to ensure equal treatment. We place great importance on talent cultivation and motivation, providing professional training and career development opportunities to unlock employee potential and achieve the mutual growth of both individuals and the organisation.

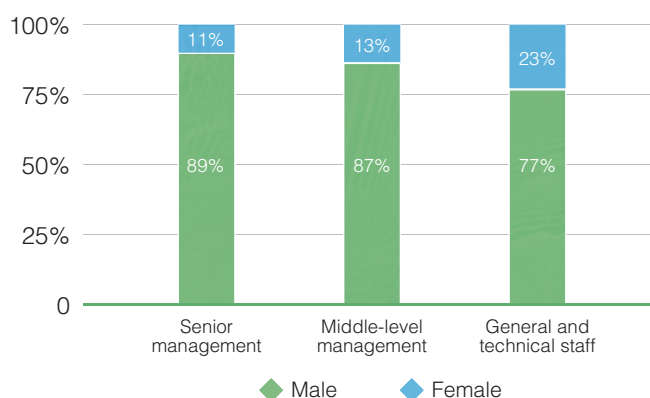
Employee Data Profile

As of 31 December 2025, the Group had a total of 3,273 employees.

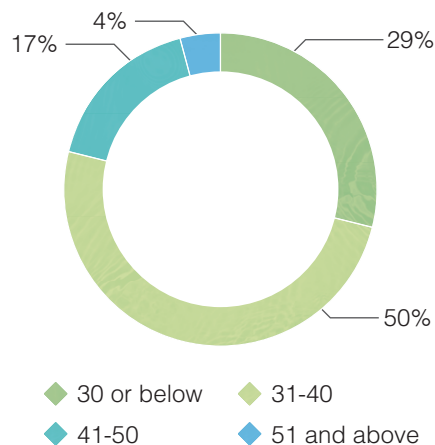
By Gender



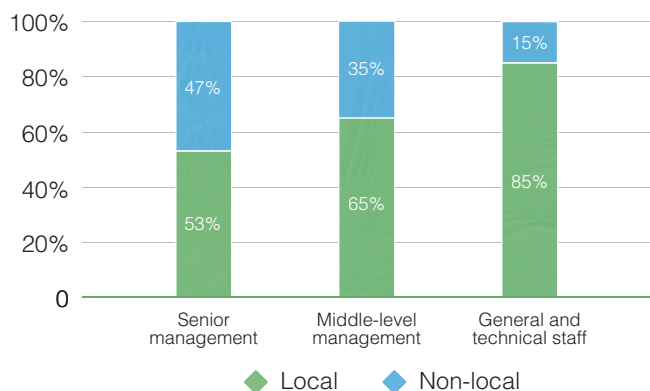
Gender Distribution by Employee Ranking



By Age



Local/Non-local Breakdown by Employee Ranking



Talent Strategy

Talent Recruitment and Retention

The Group understands that talent is the core driving force behind corporate development. As such, the Group implements its talent strategy through two channels, “internal development” and “external recruitment”, to continuously strengthen our team development. Regarding external talent acquisition, we identify the most outstanding candidates through social recruitment and campus recruitment. We strictly implement the principles of “openness, equality, competition, and merit-based selection”, ensuring all job vacancies are published via the Group’s official website and remain subject to group-wide oversight.

We proactively build a talent reserve database. Building upon the implementation of the *Open Recruitment Management System* and the *Measures for Employee Recruitment and Hiring Management*, we have also formulated the *Administrative Measures for Back-up Cadre Management* and the *Measures for Financial Personnel Management and Reserve Management*. These define promotion qualifications and training plans while strengthening the cultivation and management of financial talent to further enhance professional expertise. During the Reporting Year, we revised the *Administrative Measures for Back-up Cadre Management* to reinforce the standardisation of the selection process. When selecting and appointing employing individuals, we focus specifically on personnel within the talent pool to ensure the selection of outstanding candidates.

During the Reporting Year, in response to the parent company CEEGL’s “Green Wings Programme”, the Group recruited two university students as summer interns. We arranged meaningful tasks and provided coaching to facilitate their learning. This initiative demonstrates our comprehensive commitment to social responsibility and reflects the spirit of “dedication to both commercial success and political engagement” characteristic of Everbright Group’s presence in Hong Kong.



During my internship with the Financial Management Department, I gained first-hand experience in applying accounting standards to real-world operations. I was able to observe the specific tools and decision-making processes involved in foreign exchange risk management, gaining a systematic understanding of the entire financial statement preparation and disclosure process. More importantly, within Everbright Greentech's rigorous and compliant working environment, I developed a high sense of responsibility, a meticulous work ethic, and a strong awareness of confidentiality. Interning at Everbright Greentech allowed me to understand the unique financial characteristics of the industry in terms of investment and financing, project management, and policy application. I realised that the Financial Management Department is not only a centre for recording and reporting but also a critical hub for value management and risk control, supporting the Company's strategic decisions and sustainable development. This experience also highlighted areas for further growth, such as my understanding of complex financial instruments and depth of financial analysis. This has provided a clear direction for my future studies, emphasising the need to continuously update my knowledge base and enhance my comprehensive capabilities.



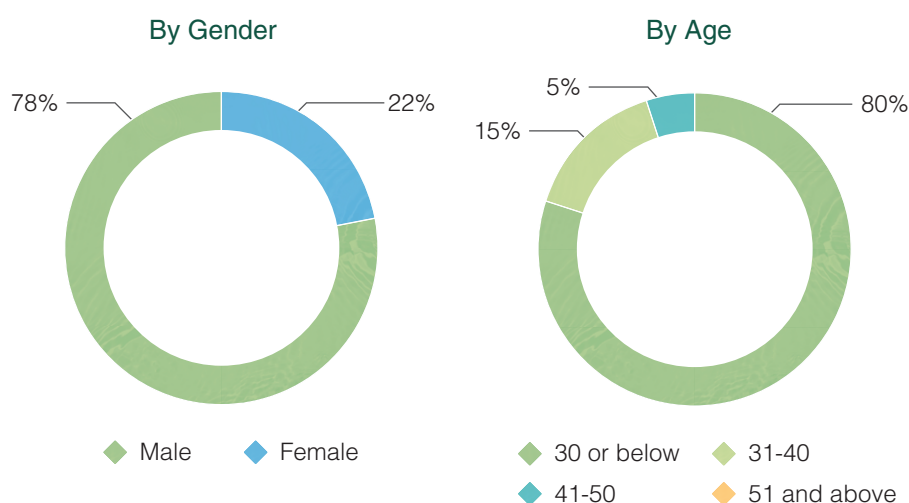
My internship within the Company Secretarial Department was an invaluable and rewarding experience. Beyond enhancing my professional skills, I gained a deeper insight into the vital role of the department, where work demands extreme precision and zero-tolerance for error. Throughout the internship, I learned how to maintain unwavering focus and patience, treating every task with the utmost diligence. This internship has been a period of significant growth, providing me with a clearer roadmap for my future career development. I am grateful to my colleagues for their guidance and support. Moving forward, I will continue to strive for excellence and consistently elevate my professional capabilities.



During the Reporting Year, the Group conducted a total of **1** open selection process and **31** democratic recommendation sessions, resulting in the promotion and appointment of **31** cadres.

We continuously streamline talent introduction channels and improve talent development and growth mechanisms, effectively enhancing employee retention rates and organisational capabilities. A flexible, diverse, and multi-tiered career development pathway has been established for employees, creating a broad platform for career advancement. Additionally, during the Reporting Year, we optimised the *Measures for Employee Recruitment and Hiring Management* to reinforce recruitment principles such as “talent selection for corporate development”, “integrity and competence”, “planning-led implementation” and “transparency and equity”. Recruitment plans are formulated in close alignment with the Group’s medium-to-long-term human resources strategy, with advance planning for talent cultivation and reserves in key areas of critical talent shortage. To further optimise our talent pools, we conducted 7 rounds of open position selection within the system, recruiting approximately 8 personnel. Internal candidates filled 10 vacant positions, effectively optimising the talent structure.

2025 Total Number of New Employees: 232

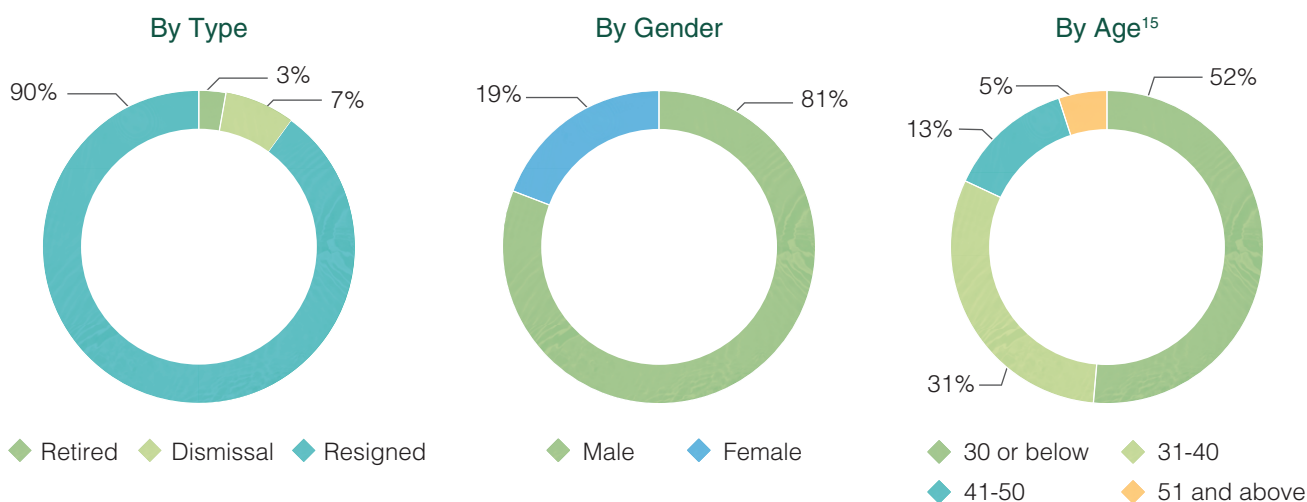


The Group recognises that talent cultivation and smooth succession are the cornerstones of corporate sustainable development. We annually assess the number of employees approaching retirement eligibility to optimise human resources planning in advance. In accordance with the *Employee Retirement Handling Guide*, we assist employees in clarifying retirement-related matters and procedures, while providing comprehensive retirement benefits to ensure their post-retirement lives are well-planned and protected. Furthermore, the Group strictly implements the *Regulations on the Handover of Cadres on Resignation* to standardise the handover process for departing cadres, ensuring clear accountability and effectively safeguarding organisational stability and operational efficiency.

Percentage of Employees Eligible for Retirement in 5 and 10 Years

Employee Ranking	In 5 years	In 10 years
Senior management	18%	18%
Middle-level management	41%	41%
General and technical staff	41%	41%

2025 Total Number of Employee Turnover: 221



Remuneration Regime

The Group has established the *Remuneration Package Management System*, defining a remuneration structure consisting of “Fixed Salary + Performance Bonus + Year-end Bonus”, and is committed to developing a competitive remuneration system. In determining starting salaries, the Group provides mid-market standard remuneration for similar positions, referencing industry norms and considering factors such as qualifications, experience, and performance. To align effectively with the human resources market, the Group regularly consults independent professional advisors or commissions independent consultants to conduct market remuneration benchmarking. Based on changes in labour market trends, the Group performs regular reviews, evaluations, and adjustments to the existing remuneration structure to maintain alignment with market standards. This policy applies to all employees, including Directors and Independent Non-executive Directors. During the Reporting Year, the Group conducted a comprehensive review and made appropriate adjustments to employee remuneration packages.



¹⁵ Percentages may not sum up to 100% due to rounding.

Employee Performance Appraisal and Promotion Mechanism

The Group has implemented a comprehensive and measurable performance appraisal system to improve employees' work quality, competitiveness, and motivation. Through year-end performance reviews and regular career discussions, managers deliver fair assessments of performance and provide constructive feedback alongside career development advice, fostering talent growth and supporting the Group's sustainable development.

Performance Appraisal Principles



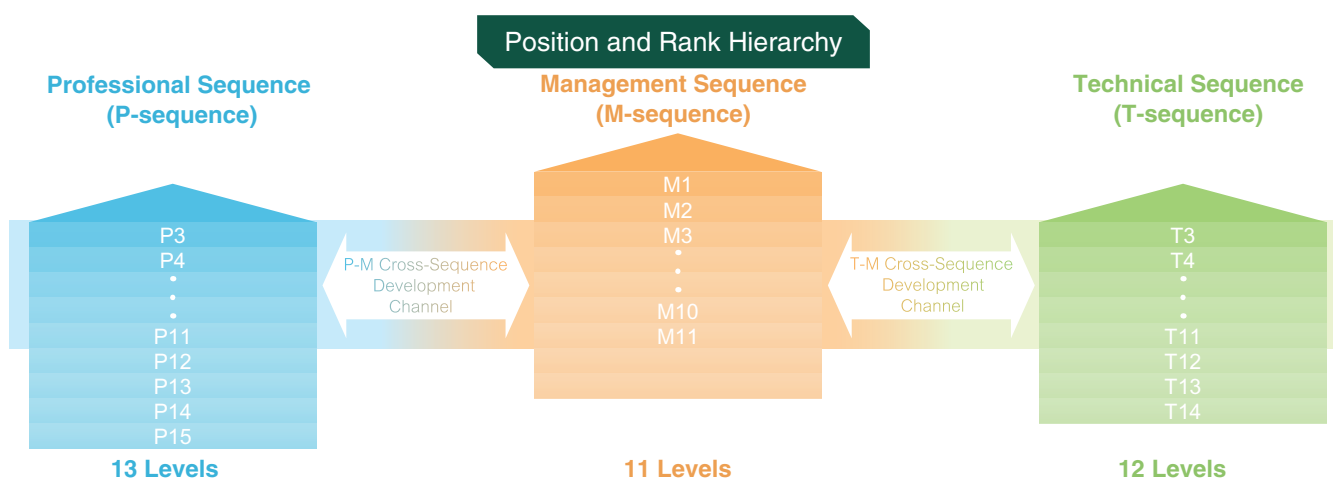
Under the Group's performance appraisal system, we conduct multi-dimensional performance evaluations annually for all departments and their employees. We have integrated specific ESG-related indicators into the appraisal scope, including but not limited to ESG data quality, the ESG risk management system, green finance, and the number of safety accidents and environmental pollution incidents. The appraisal process is managed by members of the Appraisal Working Group, who formulate the annual appraisal scheme and are responsible for the organisation and coordination of its implementation. Departmental appraisals are centred on work performance, focusing primarily on the achievement of targets and tasks assigned at the beginning of the year. Furthermore, functional performance is evaluated across 5 dimensions: strategic contribution, work quality and effectiveness, professionalism, engagement, and internal collaboration.

The employee appraisal process is designed with different weightings based on job levels to ensure fairness and accuracy in evaluations. To align the Group's operations with social and corporate ethical standards, employees' ethical conduct (including personal and business ethics) is also considered in performance evaluations. The appraisal scope covers both overall departmental performance and individual comprehensive performance. Individual assessments are categorised into 5 aspects: morality, competence, diligence, performance, and integrity, aiming to provide a holistic measure of professional qualities and work attitude. The appraisal procedure integrates the achievement of departmental objectives with employees' daily work performance to conduct a comprehensive evaluation of both departments and individuals. Given the nature of the Group's business, we employ a 360-degree performance appraisal method. An employee's final performance score is determined based on their self-assessment report and scored collaboratively by their direct supervisor, subordinates, and colleagues. This system not only promotes efficient departmental operations but also supports employees' professional development and overall contribution to the Group. The results of the employee performance appraisal serve as the primary reference for assessing job competency, salary adjustments, and promotions. Employees are rewarded and given promotion opportunities according to their performance outcomes.



In the middle of each year, managers at all levels are required to conduct routine performance discussions with their subordinates to provide feedback on the achievement of performance objectives. Should performance fall short of expectations, a root cause analysis will be conducted, and a tailored performance improvement plan will be developed. At the end of each year, evaluators and employees engage in two-way discussions regarding evaluation results, covering achievements, challenges, and recommendations for improvement. Following this, both parties complete the *Performance Communication Form*, which is submitted to the Human Resources Department for documentation. If an employee disagrees with their evaluation results, they are entitled to submit an appeal through the performance appeals mechanism, which will be investigated and addressed by the Appraisal Working Group.

During the Reporting Year, the Group revised the *Human Resources Rules and Policies Manual* and introduced new policies, including the *Administrative Measures for Education and Training*, *Department Functions*, *Organisational Structure*, *Roles and Responsibilities*, and *Qualification Requirements*, and *Managers and Employees Recusal Policy*. These updates further refine the human resources management system, standardise education, training, and talent development mechanisms, and promote professionalisation and talent pipeline development. The Group also launched and implemented the *Work Scheme for Cadre and Employee Position and Rank Assessment* during the Reporting Year, unifying the ranking system with our parent company, CEEGL. This initiative optimises our talent structure and career development pathways while establishing a fair, impartial, and scientific talent assessment system.



Regarding talent development, the *Administrative Measures for Back-up Cadre Management* facilitate selection and classified cultivation based on factors such as work experience, expertise, knowledge, and age, optimising the reserve cadre talent pool and promoting the Group's long-term growth. Furthermore, the Group has strengthened appointment management and internal control requirements by improving recusal mechanisms, effectively mitigating risks of nepotism and other forms of misconduct while ensuring transparency, fairness, and impartiality in key areas such as recruitment, selection, appointments, and the execution of official duties.

Additionally, the Group's *Implementation Rules for the Mechanism of Promotion and Demotion of Management Cadres* actively refine the "promotion and demotion" framework to standardise response to underperformance, negligence, or incompetence of management cadres. "Promotion" provides upward career pathways for capable and responsible individuals with strong performance records. Conversely, "Demotion" reflects a rigorous attitude toward achieving objectives. For management personnel who underperform or are unable to fulfil their roles, the Company will consider adjusting their positions to strengthen the supervision of managerial performance. During the Reporting Year, 24 cadres were promoted, while 5 cadres unfit for their current roles were adjusted, creating a healthy cycle of meritocracy and dynamic balance.

Employee Rights Protection

Human Rights and Ethics

The parent company, CEEGL, has established a *Human Rights Policy* to support all human rights norms and guidelines, including the *Universal Declaration of Human Rights*, the *UN Guiding Principles on Business and Human Rights*, the *UN Global Compact*, and the relevant conventions of the International Labour Organisation. As a core business segment of the parent company, the Group implements these standards accordingly. Furthermore, the Group maintains a zero-tolerance policy towards child labour, forced labour, and human trafficking, strictly complying with the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, the *Law on the Protection of Minors*, and the *Provisions on the Prohibition of Using Child Labour*, among other laws and regulations, to prevent any illegal practices. We have strengthened the vetting of information during the recruitment and hiring processes. Applicants are required to complete position application forms truthfully, ensuring that all personal information provided is accurate. Relevant departments will subsequently conduct rigorous examinations and verification of applicants' credentials and personal information; employment is only confirmed once this information is verified. If any illegal practices are identified, the Group will take immediate and lawful action without leniency.

The Group places a strong emphasis on employees' ethical conduct and professional behaviour, mandating all employees' compliance with the *Staff Handbook* and the *Human Resources Management Policy*. These guidelines include provisions to prevent conflicts of interest, prohibit discrimination and sexual harassment, and strictly forbid bribery, extortion, fraud, and money laundering. To align with societal and corporate ethical standards, employees' ethical conduct is also incorporated into performance evaluations.

In July 2025, Guixi Biomass Project organised a psychological education and awareness training session themed on *Safeguarding Physical and Mental Health: Building a Workplace Environment with Zero Harassment and Zero Discrimination*. The instructor provided a detailed explanation of the fundamental theories of mental health, the application of psychological knowledge for self-regulation and workplace communication, and the methods for identifying and preventing improper workplace harassment. This training provided employees with clear direction and guidance on how to identify and resist workplace discrimination and harassment.



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

Equality and Diversity

During the Reporting Year, the Group issued the [Workforce Diversity Policy](#), committing to the establishment of a diverse, inclusive, and mutually supportive workplace environment characterised by mutual respect and zero discrimination. This ensures that all employees, including senior management, are valued, respected, and treated fairly with equal opportunities, regardless of age, gender, pregnancy, family status, marital status, race, ethnicity, nationality, religion, disability, or any other characteristics protected by applicable laws.

The Group advocates for protection through formal mechanisms, ensuring equal opportunity for all in both systems and roles. Decisions regarding recruitment, employment, remuneration, training, appraisal, promotion, demotion, and dismissal are strictly executed according to established systems, fully considering qualifications, experience, skills, potential, and performance, to eliminate any form of bias or discrimination. The Group maintains zero tolerance for discrimination, harassment in any verbal or behavioural form, bullying, or any other conduct violating Hong Kong laws within the workplace or work-related contexts. In the event of discriminatory behaviour, employees may report to the Administration and Human Resources Department; they may also report confidentially to the Chief Executive Officer or the Chairman of the Audit and Risk Management Committee.

DEI@WORK Workplace Inclusion Training

To foster inclusive communities and workplaces, the Group invited lecturers from the Hong Kong Society for Rehabilitation to conduct a half-day “DEI@WORK Workplace Inclusion Training” at the Hong Kong headquarters. Through this training, employees gained an understanding of the significance of DEI in the workplace and the importance of inclusion. They further studied the characteristics of and interaction techniques for persons with disabilities, with a focus on appropriate communication and interaction with individuals with diverse needs (such as those with visual impairments or autism). Furthermore, on-site sharing by persons with disabilities offers a deeper understanding of their workplace experiences and educates employees on how to provide assistance correctly and appropriately. This initiative aims to drive collective social efforts to create a more supportive workplace environment for people with disabilities.



The Group is committed to upholding diversity in gender, background, skills, and experience among all employees (including senior management). Based on business needs, we maintain an appropriate number of female employees and ensure that women hold representative roles in management and professional positions. We provide targeted training and career development support for female employees, alongside supporting measures to assist them in navigating workplace challenges arising from life stages such as maternity. We believe that a diverse talent pool enhances corporate innovation and competitiveness; therefore, we continue to attract talent from different genders, cultures, and professional backgrounds to create an inclusive and harmonious atmosphere. We highly value the contribution of female employees and have set a target to increase their proportion. Given the nature of the environmental industry, where key roles in production, operations, and engineering construction demand high physical strength, energy, and rotational shifts, and projects are often located in semi-urban or rural areas of third- and fourth-tier cities, female employees face significant challenges in balancing career and family responsibilities. These factors constrain further growth in the female employee proportion.

The Group reviews its diversity target based on actual circumstances and industry trends, committing to maintain a female employee ratio of no less than 15% while promoting gender diversity at the Board and senior management levels. The Group actively encourages more women to assume leadership roles, including Board membership and senior management positions, to bring more perspectives to corporate governance and sustainable development. During the Reporting Year, 1 female employee was promoted in the general functional departments, and 3 mid-level cadres were promoted, effectively increasing the proportion of female employees in the middle and senior management team.

During the Reporting Year, the Group provided female employees with opportunities for mental and physical relaxation, skill enhancement, and cultural enjoyment through various activities such as health seminars, baking and handicraft workshops, and cultural leisure experiences, further strengthening their sense of belonging and identity.



International Women's Day Flower Arranging Activity in Lianyungang Solid Waste Treatment Project



International Women's Day Reading Sharing Activity in Xuji Biomass Project



International Women's Day Pearl Craft Activity in Everbright Ecological Remediation (Jiangsu) Co., Ltd.



International Women's Day Succulent Planting DIY Activity in Guoyang Biomass Project

“Love and Responsibility: Honouring Extraordinary Female Power” Poster Exhibition

In 2025, to mark International Women’s Day, the Group curated and hosted a poster exhibition themed around “Female Power”. The event was designed to pay tribute to women who work diligently in their everyday roles and dedicate themselves to their families, celebrating the resilience and strength of female power. The initiative received an enthusiastic response across the entire Group, with various projects submitting a vibrant and diverse range of entries. Below is a selection of the featured works:



Looking ahead, the Group will continue to deepen its practices in gender equality and diversity, particularly by exploring and implementing measures to attract more female talent. For instance, we are considering introducing female-focused benefits to better demonstrate our care for the physical and mental well-being of female employees. Additionally, we will strengthen internal management systems to ensure fair opportunities for female employees in recruitment, remuneration, and promotion. We will also provide more tailored career development support to help them achieve significant progress in their professional fields.

Employee Care and Welfare

Corporate Culture

To ensure that employee behaviour aligns with the values of the Group and to strengthen employee cohesion and their sense of belonging, the Group actively promotes corporate culture. The Group shoulders the mission of “Devoted to Ecology and Environment for a Beautiful China” and adheres to the values of “Creating Investment Value and Undertaking Social Responsibility”. The Group is dedicated to becoming a clean energy operator with new-quality productivity and core competitiveness. Through the promotion of corporate culture, the Group embeds its core business philosophy in the hearts of employees, ensuring alignment in thoughts and goals. This approach fosters a team of talent who “understand the rules, take responsibility, and pursue dreams”, ultimately achieving the dual enhancement of personal and corporate value.

Employee Welfare

To enhance employees’ sense of belonging and satisfaction, and to support their holistic development in both work and life, employee benefit plans play a crucial role. The Group continuously refines welfare policies, adopts a people-centred management approach, ensures that all benefits comply with local laws and regulations, and offers competitive packages that comprehensively address employees’ needs.

The Group provides a range of benefits, including life insurance, critical illness cover, medical care, disability and sickness protection, maternity leave, and paternity leave, ensuring comprehensive health protection throughout employees’ life cycles. Additionally, we offer timely benefits to employees in Chinese Mainland, such as heatstroke prevention and heating allowances. During the Reporting Year, the Group introduced a new clothing allowance to mitigate employees’ recurring expenses for work attire.



To address the rising cost of living and medical expenses in Chinese Mainland, the Group has established a Healthcare Protection Entrusted Management Scheme and a Long-term Supplemental Medical Insurance Scheme, further refining the employee medical protection system and alleviating the burden of medical costs. These schemes cover all employees in Chinese Mainland, as well as their spouses, children, and parents from both sides, providing various benefits including insurance cover for mild illnesses, critical illnesses, and hospitalisation expenses.

The Group has established a Supplementary Medical Protection Scheme for employees in Hong Kong, providing additional subsidies for eye care and other personal healthcare needs to alleviate inflationary pressures on medical services.



The Group assesses the number of employees eligible for retirement every year to ensure they receive statutory retirement benefits. Furthermore, the Group provides additional retirement protection for employees in Chinese Mainland and Hong Kong through corporate annuities and voluntary contributions at rates exceeding legal minimums, offering more support for their retirement lives.

To further reduce the medical burden after retirement, the Group offers a life-term medical insurance plan to mainland employees, ensuring that employees continue to benefit from long-term medical insurance coverage post-retirement, providing essential support for their healthcare costs after leaving the workforce.

2025 Parental Leave Statistics

Number of Employees Applied for Parental Leaves



Male
72



Female
36

Number and Ratio of Employees Returning to Work After Parental Leave



Male
70
(97.22%)



Female
32
(88.89%)

Healthy and Comfortable Workplace

The Group places great emphasis on the physical and mental health of its employees, committed to providing a safe working environment and ensuring comprehensive protection for their work and life, while enriching their cultural and spiritual well-being. To deeply implement the people-oriented approach, the Group has established the *Measures for the Management of Safe Production, Employees' Health and Accidental Injury Protection Fund*. This initiative further enhances the Group's operational safety, employee health, and accidental injury coverage. For detailed information on occupational safety and health measures, please refer to the "Safe Production" chapter on pages 57 to 65 of this report.

Caring for Mental Wellness

Annual physical examination
(covers all employees)

Occupational disease prevention
inspection (covering all relevant
employees)

Health information sharing

Other online health lectures

Caring for Physical Health

Livestreamed courses on "Caring for Physical and Mental Health for a Fulfilling Life" and "Mental Health and Psychological Adjustment for Management Cadres" through the Everbright Distinguished Lecture Forum (covers all employees)

"Building a Zero-Harassment and Zero-Discrimination Workplace Environment" Mental Health Training

"Positive Energy for Happiness" – Positive Psychology Workshop

"Positive Energy for Happiness" – Positive Psychology Workshop

The Group prioritises the mental well-being of our employees and strives to foster a joyful and fulfilling work environment. During the Reporting Year, we invited a registered social worker from the Mental Health Association of Hong Kong to conduct a "Positive Energy for Happiness" workshop at our Hong Kong headquarters. The session introduced employees to the principles of positive psychology and the "happiness formula", while providing practical strategies to enhance workplace satisfaction and empowering employees with a stronger sense of well-being to lead more enriched lives.



Healthy and Comfortable Workplace

The Group has equipped its Shenzhen headquarters and project companies with gyms, fitness equipment, and employees' canteens. Additionally, sports facilities such as basketball courts have been built at eligible project sites. These efforts aim to foster a dynamic and comfortable workplace environment.

Caring for Female Employees

The Group places great emphasis on protecting the rights and interests of female employees, strictly adhering to the *Special Provisions on Labour Protection for Female Employees* and continuously strives to optimise the working environment for women. We ensure that female employees are entitled to benefits such as maternity leave, prenatal examination leave, breastfeeding leave, International Women's Day leave, and parental leave. In addition, nursing rooms have been established at the Group's headquarters and project companies to provide convenience for breastfeeding female employees. The Group fully supports female employees in taking breastfeeding leave, allowing them to adequately care for infants.

Team Building Activities

The Group advocates for a healthy work-life balance and encourages employees to actively participate in activities that promote both their physical and mental well-being. At the headquarters level, in collaboration with the Everbright Environment Labour Union, we organise weekly activities, such as haircuts, fitness sessions, badminton, basketball, football, and swimming, all of which are open for employees to join. At the project level, our project companies host annual activities such as sports meets, hiking, book clubs, speech competitions, basketball tournaments, and birthday celebrations. These activities not only promote employees' mental health by allowing them to relax and relieve work-related stress but also foster harmonious relationships among colleagues. Furthermore, these initiatives have been found to enhance employee engagement, thereby creating a mutually beneficial outcome for both the company and its employees.



Western Region of Clean Energy Centre's Basketball Competition



Joint Event "Spring Walk: Moving Forward Together" organised by Fengyang and Chuzhou Projects



Sports Day at Zhongxiang Integrated Biomass and Waste-to-Energy Project



Dragon Boat Festival Rice Dumpling Making Activity at Linshu Hazardous Waste Treatment Project

The Group strictly complies with the *Employees' Paid Annual Leave Ordinance* and relevant Hong Kong labour laws. Employees are entitled to statutory public holidays and other leave benefits, which are safeguarded through policies such as the *Staff Handbook* and the *Human Resources Management Policy*. These policies ensure employees' rights to annual leave, personal leave, sick leave, marriage leave, public leave, maternity leave, bereavement leave, and work-related injury leave. To maintain employees' physical and mental well-being, the Group enforces a limit on monthly overtime hours and provides overtime pay or compensatory leave for overtime work within the prescribed limits.



"Happy Company 5+" logos awarded by the Chinese Manufacturers' Association of Hong Kong and the Promoting Happiness Index Foundation for the 8 consecutive years



Recognised as an "MPF Good Employer" for the 8 consecutive years

Opinions and Communication

The Group holds its employees in high regard and is dedicated to establishing open and trusting two-way communication mechanisms. In addition to regular meetings, we conduct periodic heart-to-heart discussions to proactively understand workplace challenges and practical needs. These sessions assist in analysing issues and clarifying directions for improvement, thereby fostering an atmosphere of mutual trust. In 2025, the Group launched its biennial employee opinion survey. Conducted anonymously to encourage candid feedback, the survey aims to gather a wide range of employees' views and suggestions. In addition to evaluating corporate benefits, the questionnaire collects opinions on company systems, experiences of discrimination or unfair treatment, and career advancement pathways. Furthermore, employees may share their ideas through the "Voice from the Frontline" channel within our automated office system. This transparent platform ensures that the Group fully considers employee suggestions when reviewing policies and systems, striving to achieve a more effective balance between corporate and employee interests. Under no circumstances does the Group tolerate discrimination, harassment, defamation, or any conduct targeting employees. Should employees encounter unfair treatment that cannot be resolved through standard channels, they are encouraged to utilise the whistleblowing mechanisms and procedures detailed on pages 15 to 16 of this Report. We remain committed to addressing all employee grievances in a fair, impartial, and timely manner.

No complaints of discrimination or harassment against employees were received during the Reporting Year.

Enhancing Employee Potential

The Group fully recognises the importance of employee training in enhancing professional capabilities. To this end, we have established policies such as the *Training Subsidies*, the *Management Measures for Assessments and Appointments to Specialised Technical Positions*, and the *Measures for the Administration of Professional Qualifications and Specialised Technical Titles*. Alongside the provision of examination leave, these policies encourage employees to pursue continuous education, obtain professional qualifications or memberships, and participate in role-relevant external training to enhance their personal value. The implementation of these initiatives has significantly boosted employee motivation for further learning and played a pivotal role in fostering a learning-oriented corporate culture. The Group introduced the *Measures for the Administration of Education and Training* during the year. This framework establishes a systematic training architecture for management cadres and staff through a closed-loop mechanism consisting of "Training Research, Programme Preparation, Tiered Implementation, and Effectiveness Evaluation". These measures also formalise the creation of internal and external lecturer resource pools. Internal lecturers are rigorously selected based on their professional expertise and practical experience. External lecturers are appointed through public tendering and selection processes in strict compliance with the *Regulations on the Recusal of Management Cadres and Staff*, thereby effectively avoiding any conflicts of interest.

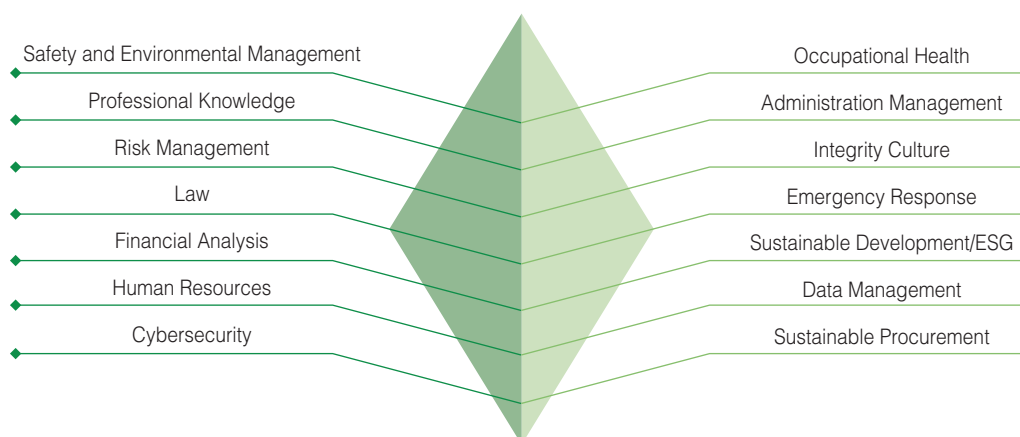
Training and Development System



During the Reporting Year, the Group enhanced the management of employee training through regular human resources inspections. The Administration and Human Resources Department conducted detailed reviews of training plans, implementation strategies, and attendance records across project companies. This process reinforced the importance of training at the project level and improved the completeness of training procedures and records.

As a professional environmental services provider closely tied to ESG matters, such as waste and carbon reduction, the Group places great emphasis on advancing and implementing environmental initiatives. Most members of the Group's Sustainability Working Group hold ESG related qualifications or degrees in fields such as environmental engineering, safety management, environmental technology R&D, and risk control, reflecting their extensive expertise and experience. The Group is committed to providing employees with role-specific training and adequate resources to standardise training processes and improve training outcomes. This ensures the team possesses the necessary professional knowledge and skills to meet current challenges. During the Reporting Year, the Sustainability Working Group added two ESG Certified Professionals (ESGCP), one Certified ESG Planner (CEP®) accredited by the International Chamber of Sustainable Development (ICSD), and one holder of the CFA Certificate in Sustainable Investing. Members of the Sustainability Working Group completed over 130 hours of ESG training. Furthermore, the Group issued the *Notice on Standardising Sustainable Development Training Work* to drive high-quality corporate development and bolster sustainability. This initiative further strengthened training management and enhanced the quality of information disclosure, while providing employees with diverse training opportunities across various fields to refine their skills and unlock their potential.

Diversified Training Topics





Training Target/Commitment

By 2030, ensure an average annual training duration of no less than **23** hours per employee.



2025 Employee Training Profile¹⁶



Employee Training Rate

100 %



Total Employee Training Hours

152,007 hours



Training Expenditure

HK\$920,045

Average Training Hours by Gender



Male

50 hours



Female

34 hours

Average Training Hours by Employee Type



Senior Management

55 hours



Middle-level Management

49 hours



General and Technical Staff

46 hours

Safety and Environmental Management Aspect: As of 31 December 2025, the Group employed 86 certified safety engineers. These certifications not only improved employees' skills and income but also enhanced the Group's safety and environmental management standards. Supported by these incentive frameworks, we anticipate that more employees will pursue self-enhancement, and the Group remains committed to providing ongoing support for their further education and training. During the Reporting Year, to strengthen our safety management capabilities, the Group conducted the 2025 Safety and Environmental Management Qualification Certification Examination. A passing score of 75% or above was required, with mandatory retakes for those who did not meet the threshold. Successful candidates were awarded unified competency certificates issued by the Company, with a total of 76 employees passing the examination during the Reporting Year.

ESG and Climate Aspect: The Group is committed to enhancing ESG and carbon neutrality training for all employees, including Board members. In addition to providing irregular ESG updates and reports, we invite industry experts and consultants annually to brief the Board on ESG reporting and industry trends. Through online courses and expert-led sessions, the Group provides sustainability training (including climate-related issues), to management and employees across various functions. Notably, 200 employees participated in training on climate-related financial impact assessment and quantification, aimed at enhancing the analytical capabilities of our finance and operations management teams regarding climate risk value. Furthermore, 30 employees attended training on GHG management-related standards to strengthen employee awareness and responsiveness to climate change risks, ensuring the Group can make timely and effective decisions when addressing climate-related challenges.

To stay aligned with market policies and disclosure requirements, the Group organised for all employees to participate in unified training sessions arranged by our parent company, CEEGL. These sessions featured in-depth explanations by external experts on the latest amendments to the Hong Kong Stock Exchange's ESG Reporting Code. This collective training was designed to deepen employees' understanding of the importance of ESG and to assist departments in mastering new regulatory requirements in advance, laying a solid foundation for the successful completion of enhanced disclosure obligations.

¹⁶ Figures for average training hours are rounded to the nearest whole number. Please refer to "Appendix 3: KPI Overview" of this Report for the exact figures.

Enhancing Practical Skills and Safety Capabilities

The Group's project companies proactively organised specialised practical skills and safety training to enhance the professional competencies of frontline technical and management personnel. Zhongxiang Integrated Biomass and Waste-to-Energy Project organised a seminar on boiler steam drums for all operations and relevant technical staff. This training focused on the intricate internal structure and core operating principles of steam drums. Through systematic explanations by technical experts and on-site Q&A sessions, participants gained a deeper and more comprehensive understanding of equipment structural principles, precise diagnosis and handling of common faults, and key maintenance process standards, effectively bolstering employees' theoretical foundations and practical skills.

Shayang Integrated Biomass and Waste-to-Energy Project conducted training for the Production Operations Department and maintenance company personnel on the core construction, operating principles, and key maintenance nodes of waste cranes. By combining theoretical lectures with case analyses, the session helped production and maintenance staff accurately master equipment troubleshooting and maintenance skills, building a solid technical foundation for the stable operation of the waste-to-energy system.

In July 2025, the Clean Energy Management Centre held a five-day safety management training programme for heads of Safety and Environmental Departments. The curriculum covered power production safety technology, safety assessments, emergency management, and corporate safety culture. Participants who passed the assessment upon completion were awarded professional certificates, linking safety capacity building directly with mandatory certification for duty. These professional training initiatives facilitate employee skill enhancement and career development, providing a robust guarantee for talent cultivation and efficient business operations.



Production and Operations Skills Competition

In December 2025, the Group organised for project teams to participate in the “Production and Operations Skills Competition” hosted by the parent company, CEEGL. The event aimed to enhance the technical capabilities, emergency response readiness, and safety awareness of frontline employees, while supporting the development of skilled talent and fostering a culture of professionalism and craftsmanship. The competition spanned the two business segments, waste-to-energy and wastewater treatment, featuring 9 subjects across 8 professional disciplines. Employees’ skill levels were rigorously assessed through a combination of theoretical knowledge and practical examinations. Various awards were presented, and the results of winning employees will be recorded in their personnel files to be used for promotion and annual excellence appraisals. This establishes a long-term mechanism where competition facilitates learning and practice. The successful organisation of such events effectively consolidates the Group’s talent foundation, providing essential support for technical innovation and sustainable development.



Co-Development with the Community

The Group is committed not only to the career development of its employees but also to improving the communities they depend on. We strive to create safe, sustainable, and green living environments for local residents. During the Reporting Year, employees actively participated in community development initiatives, including community care and environmental education, making tangible contributions to society. By taking on social responsibilities and working with the community, the Group has achieved a “triple-win” scenario, fostering mutual growth and prosperity for the company, the community, and its employees.

The Group prioritises harmonious relationships with local communities and indigenous peoples. During project development, measures are taken to mitigate and minimise impacts on local communities. We respect indigenous rights, maintain open and constructive communication, and promote local economic development through community engagement, local employment and training, supply chain localisation, and the creation of clean and safe environments. These efforts have built trust and mutually beneficial partnerships with the communities we operate in.

Rural Revitalisation

The Group actively promotes village-enterprise collaboration, implementing targeted assistance schemes through business development. We prioritise providing job opportunities for local residents, enhancing environmental conditions, and driving industrial upgrades in surrounding regions. Through our biomass projects, we address pollution caused by the burning of agricultural and forestry residues while establishing a collection, storage, and transportation system for agricultural waste. This initiative creates jobs and additional income for local farmers, aligning with the national rural revitalisation strategy. With the commissioning of projects and the development of the biomass supply chain, the Group has implemented a strategy that boosts farmers’ income, drives corporate growth, and stimulates rural economies. These efforts directly and indirectly improve the quality of life for local residents, supporting sustainable rural development.

Action Framework and Implementation Strategy

01

Promote Village-Enterprise Collaboration for Mutual Growth:

Actively collaborate with local communities to drive regional economic growth through business development, achieving shared prosperity for the company and the community.

02

Provide Employment Opportunities to Foster Social Inclusion:

Prioritise hiring local residents, offering stable jobs and income to help lift them out of poverty while promoting social harmony and integration.

03

Integrate Biomass Business with Environmental Protection:

Address pollution caused by the burning of agricultural and forestry residues through biomass energy utilisation, advancing sustainable development via environmental protection and energy reuse.

04

Continuous Monitoring and Evaluation:

Regularly review and adjust projects to ensure efficient resource utilisation, support poverty alleviation for local residents, and optimise assistance strategies based on actual needs.

In 2025, our integrated biomass utilisation projects:

Direct and indirect job creation

48,681 jobs

Increased farmers' income
by approximately

RMB2.23 billion

Benefited approximately

5.03 million farmers

Integrating Urban-Rural Waste Management and Cogeneration for Sustainable Development

Fengyang Integrated Biomass and Waste-to-Energy Project achieves the harmless treatment and resource utilisation of household waste, while promoting the integrated and high-value utilisation of agricultural and forestry residues. The project effectively addresses leachate pollution and the open burning of crop residues, significantly improving local environmental quality. The project has created nearly 4,000 direct and indirect employment opportunities, giving priority to local farmers and households previously lifted out of poverty, thereby supporting stable income growth and providing targeted community assistance. Through an electricity and heat cogeneration model, the project generates electricity while supplying clean steam to nearby industrial parks. This significantly reduces the reliance on coal- and gas-fired boilers within the parks, lowering fossil energy consumption and atmospheric pollutant emissions, and contributing to regional carbon reduction and improved air quality. Guided by principles of efficiency and resource conservation, this project has delivered multiple benefits, including environmental improvement, industrial upgrading, increased income for local farmers, and sustainable corporate value creation. It serves as a flagship example of the Group's efforts to support rural revitalisation and integrated urban-rural development through the environmental protection industry.



Environmental Education and Awareness

As an industry pioneer, Everbright Greentech regards the promotion of environmental awareness as an inherent responsibility. The Group is dedicated to winning the battles for blue skies, clean water, and uncontaminated soil by strengthening the coordinated control of multiple pollutants and continuously improving environmental quality. In active response to the Nation's "Dual Carbon" strategy and adhering to the corporate mission of "Devoted to Ecology and Environment for a Beautiful China", we strive to benefit society with green technologies and create value for stakeholders through robust development.

In addition to promoting environmental education and awareness, the Group continues to fulfil its responsibility of opening environmental facilities to the public. We explore online opening activities using live-streaming as a primary medium to expand the reach and influence of our facilities. By conducting promotional campaigns tailored to specific projects and focusing on the "Dual Carbon" strategy, we share Everbright's ecological stories and highlight our performance in pollution control and conservation, encouraging public participation in building a Beautiful China.

During the Reporting Year, the Group actively responded to and sponsored “Hong Kong Green Day”, organised by the Green Council. We implemented a series of concrete internal actions, including the installation of sorted recycling facilities in common areas to promote the circular reuse of plastics, metals, and waste paper. Simultaneously, we displayed “Energy Saving Tips” to guide employees in adopting sustainable habits, such as implementing double-sided printing, powering down electronic devices after work, and optimising the use of air conditioning. Through these internal and external practices, we aim to not only foster a robust green office culture within the enterprise but also proactively convey sustainability concepts to the wider community. By engaging in multi-dimensional promotion and participation, we successfully raise public awareness of environmental issues.



As of 2025, the Group has a cumulative total of **8** Science Education Bases.



Number of open-to-the-public activities

130



Number of visitors

2,713

Promoting Green Education



Rugao Biomass Project was selected by China's Ministry of Ecology and Environment for the Fifth Batch of National Environmental Protection Facilities Open to the Public, becoming the only biomass power enterprise in Jiangsu Province to receive this honour. The project procures straw on a large scale, suppressing burning-related pollution while boosting farmers' incomes. Since commencing operations in 2017, it has received over 5,000 visitors and hosted more than 400 science popularisation events, covering over 300 surrounding villages and schools. Beyond the public disclosure of flue-gas data, the facility supports ecological conservation through its “Green Classroom” programme. By engaging the public, particularly the youth, in waste sorting and resource circularity, these initiatives serve as a benchmark for the Group's green education initiatives.



The Group actively promotes green education for people of all ages. Several of its projects have hosted nearly one thousand kindergarten and primary school students, using animation and engaging explanations to guide children through on-site visits that demonstrate the full process of waste sorting and transforming waste into valuable resources. These activities help cultivate awareness of resource recycling and low-carbon living from an early age. The projects have also welcomed faculty members and students from universities such as Jingchu University of Technology and Anhui University of Technology, where systematic briefings are provided on waste-to-energy and biomass power generation technologies. These engagements help deepen public understanding of the principles of “harmless treatment, waste reduction and resource utilisation”. By advancing educational outreach for both younger students and adult groups, the Group continues to enhance public awareness of ecological sustainability and foster broader recognition of green development principles across society.

Social Responsibility and Charity

The Group actively engages in social welfare initiatives, steadfastly upholding the principle of “giving back to society what is taken from it”. During the Reporting Year, the Group continued its support for charitable activities organised by The Community Chest of Hong Kong, including participation in “Skip Lunch Day” and “Green Low Carbon Day”. Beyond simply encouraging our team to turn compassion into tangible support for the underprivileged, these programmes allowed us to promote a low-carbon lifestyle, seamlessly weaving a culture of philanthropy with environmental consciousness.

Recognition as “Annual Partner”

The Group was honoured with the “Annual Partner” award presented by Plan International for the 4 consecutive years, recognising its long-term contributions to the protection of children’s and girls’ rights. Over the years, the Group has actively supported Plan International’s “Donate a Pencil” Initiative, organising employee volunteers to assist in sorting and processing donated pencils. Funds raised from the initiative are used to help girls in developing countries avoid discrimination, violence and human trafficking, while improving access to education and strengthening community awareness of child protection.

In addition to supporting charitable activities organised by non-profit organisations, the Group also encourages its employees to actively participate in public welfare and charitable initiatives. In which, employees assisted with a Christmas celebration for children organised by the Spastic Children’s Association of Hong Kong, and supported environmental education outreach at HKTA The Yuen Yuen Institute Chan Lui Chung Tak Memorial School, helping to promote environmental awareness among students.



“Caring Company” logo awarded by the Hong Kong Council of Social Service for the 7 consecutive years

Volunteer Mentors Lighting New Hope

The Group actively supported the “Strive and Rise Programme” launched by the Hong Kong SAR Government, encouraging employees to serve as volunteer mentors. Through one-to-one and small-group mentoring, employees provided guidance and companionship to secondary school students from underprivileged families, ranging from Secondary 1 to Secondary 4. Mentors devoted their time after work and on weekends to engage in meaningful conversations with the students, helping them set personal development goals and build sound financial management habits. These efforts supported young people in strengthening self-confidence, broadening their horizons and working towards breaking the cycle of intergenerational poverty.



Warmth for Communities During the Spring Festival

Ahead of the Chinese New Year, the Group's Zhongxiang Integrated Biomass and Waste-to-Energy Project visited families in need in surrounding villages and towns to better understand their living conditions and provide essential supplies, including rice, flour and cooking oil. The initiative provided practical assistance to disadvantaged households, demonstrating the Group's commitment to corporate social responsibility while promoting the spirit of mutual support within communities and contributing to harmonious community development and shared rural prosperity.





Independent Limited Assurance Report

To the Management of China Everbright Greentech Limited

1. Limited Assurance Conclusion

Hong Kong Quality Assurance Agency (“HKQAA”, “we”, “our”, “us”) was engaged by China Everbright Greentech Limited (“the Company”) to conduct an independent limited assurance engagement on the sustainability disclosures (“Sustainability Disclosures”) presented in its Sustainability Report 2025 (“the Report”) for the reporting period from 1st January 2025 to 31st December 2025 (“Reporting Period”) and issue this Independent Assurance Report (“Assurance Report”).

Based on the procedures performed, evidence obtained, and subject to the stated assumptions, dependencies, boundaries, limitations, and exclusions set out in Appendix A, nothing has come to our attention that causes us to believe that the Sustainability Disclosures are not presented, in all material respects, in accordance with the requirements of the ESG Reporting Code, and with reference to reporting criteria as stated in Section 2 of this Assurance Report.

2. Engagement Overview

The objective of this sustainability assurance service is to provide an independent conclusion, with a limited level of assurance, on whether the Sustainability Disclosures have been prepared in accordance with the following reporting criteria:

The Environmental, Social and Governance Reporting Code (“ESG Reporting Code”) set out in Appendix C2 of the Main Board Listing Rules of The Stock Exchange of Hong Kong Limited.

The assurance team also reviewed whether the Sustainability Disclosures have been prepared with reference to the Global Reporting Initiative Sustainability Reporting Standards (“GRI Standards”).

For the avoidance of doubt, the Appendices listed at the end of this Assurance Report form an integral part of it, though certain Appendices are intended for the Company’s internal use only. For reference, a generic version of Appendix A (which sets out the assumptions, dependencies, boundaries, limitations, exclusions, roles and responsibilities, and independence applicable to this engagement) is publicly available on the HKQAA website (www.hkqaa.org) under the navigation path: News & Resources > Guides & Forms > Guidelines > Sustainability Assurance.

3. Basis for Conclusion

HKQAA’s assurance procedure was conducted in accordance with the International Standard on Sustainability Assurance 5000, General Requirements for Sustainability Assurance Engagements (“ISSA 5000”), issued by the International Auditing and Assurance Standards Board (“IAASB”).

A limited assurance engagement involves performing procedures that vary in nature and extent from those performed for a reasonable assurance engagement. Accordingly, the level of assurance obtained is substantially lower than that obtained in a reasonable assurance engagement.



In conducting this engagement, we confirm our independence from the Company. The engagement team performed the engagement in accordance with the HKQAA Code of Conduct. Based on the procedures performed and the evidence obtained, we consider the evidence sufficient and appropriate to form a basis for our conclusion.

4. Responsibilities for the Sustainability Disclosures

The Company's management is responsible for the preparation of the Sustainability Disclosures in accordance with the applicable reporting criteria, and for designing, implementing and maintaining such internal controls as it determines necessary to enable the preparation of Sustainability Disclosures that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Company's sustainability reporting process.

5. Responsibilities of the Engagement Team

Our responsibility is to plan and perform this engagement to obtain limited assurance about whether the Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue this Assurance Report that includes our conclusion.

Misstatements can arise from fraud or error and are considered material if they could reasonably be expected to influence the decisions of users taken on the basis of the Sustainability Disclosures.

As part of this engagement, we exercise professional judgment and maintain professional skepticism, perform risk assessment procedures including obtaining an understanding of relevant internal controls (but not for the purpose of providing a conclusion on their effectiveness), and design and perform procedures responsive to assessed risks. As fraud is inherently more difficult to detect than unintentional error, the risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error.

6. Summary of Work Performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgment, including the assessed risks of material misstatement, whether due to fraud or error.

Our assurance procedures included, but were not limited to:

- reviewing relevant policies, procedures, relevant documentation and records provided by the Company, including those related to sustainability-related information such as governance, risk identification, and performance metrics;
- interviewing key management and responsible personnel of the Company for reporting and sustainability-related governance;
- conducting analytical reviews of disclosures for plausibility and consistency with relevant external frameworks and internal supporting data;
- selecting representative samples of disclosures, with a focus on materiality and risk, and assessing the underlying evidence for each sample using judgmental sampling;



- evaluating the transparency of disclosed assumptions, dependencies, and boundaries; and
- assessing the completeness of coverage with respect to the requirements of the reporting criteria, including reviewing methodologies used for estimations, sensitivity analyses, and disclosures of uncertainties.

This Assurance Report is made solely for the use of China Everbright Greentech Limited and the users of its Sustainability Report 2025, and for use in accordance with the reporting criteria stated in Section 2 of this Assurance Report. We do not accept or assume responsibility for any other purpose or to any other person to whom this Assurance Report is shown or in whose hands it may come.

The engagement leader on the assurance engagement resulting in this Assurance Report is K T Ting.

Signed on behalf of Hong Kong Quality Assurance Agency

Hong Kong, PRC
26 March 2026

Ref: 14992862



14991693-VER

Verification Opinion

Scope and Objectives

Hong Kong Quality Assurance Agency ("HKQAA") has been commissioned by China Everbright Greentech Limited ("CEGL") to conduct an independent verification of the Greenhouse Gases ("GHG") emissions inventory ("Emissions Inventory") for the period 1st January 2025 to 31st December 2025. The aim of this verification is to provide a reasonable assurance on the data consolidated in the Emissions Inventory compiled by CEGL using the operational control approach against the requirements of ISO 14064-1:2018 'Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals'.

Based on the preparation of the "CEGL Summary Table for ISO14064 (The Inventory)" and the corresponding worksheet reports (CEGL_CDM_2025, CEGL_GHG_S1&2_2025 and CEGL_GHG_S3_2025) by CEGL in accordance with the criteria of ISO 14064-1:2018, an opinion was concluded by the verification team from the verification activities, including:

- Offsite verification with the aid of Information Communication Technology (ICT) of the GHG emission data associated to mobile emissions, electricity consumption as well as GHG emissions from activities of waste treatment facilities and environmental operations; and
- Desk-top review for documentation and supporting evidence.

Methodology

The verification was conducted in accordance with ISO 14064-3: 2019 '*Specification with guidance for the verification and validation of greenhouse gas statements*'. The process included the assessment of:

- reporting boundaries selected;
- quantification methodology and emission factors used;
- integrity of the historical activity data used;
- accuracy and completeness of the GHG calculations; and
- conformance with the requirements of the ISO 14064-1:2018.

Integrity and accuracy of the aggregated data was tested by tracing the sampled data to its sources. The underlying processes for data collection, aggregation, estimation, calculation and internal checking were reviewed and undergone reliability test. Materiality threshold of 5% was adopted for this verification. Qualitative materiality of GHG data reporting requirements such as internal Production Management System were followed. HKQAA verification team did not partake in the GHG data preparation process.

1

Remarks:

This verification opinion includes page <1> to page <5>

Conclusion

Total GHG emissions and removals of China Everbright Greentech Limited in 2025:

2025 GHG Emissions and Removals	Tonnes (T) of CO ₂ equivalent
Category 1): Direct GHG emissions (excluding anthropogenic biogenic GHG emissions)	1,792,896.8
Anthropogenic biogenic GHG emissions	9,679,438.9
Category 1): Direct GHG removals (excluding anthropogenic biogenic GHG removals)	4,238,300.5
Anthropogenic biogenic GHG removals	1,112,801.2
Indirect GHG emissions	212,177.9
Category 2): Imported Energy	53,597.2
Category 3): Transportation	69,679.3
Category 4): Products used	88,901.4
Category 5): Use of products	/
Category 6): Other sources	/
Total (Direct + Indirect Emissions excluding anthropogenic biogenic GHG emissions)	2,005,074.7
Total (Direct + Indirect Removals excluding anthropogenic biogenic GHG removals)	4,238,300.5
Total (Direct + Indirect Removals including anthropogenic biogenic GHG removals)	5,351,101.7

Signed on behalf of Hong Kong Quality Assurance Agency:

Lead Verifier:

Chief Operating Officer:




Tommy Lo

K.T. Ting

Date of Issuance: 10 March 2026

Hong Kong Quality Assurance Agency
19/F., K. Wah Centre, 191 Java Road, North Point, Hong Kong
Contact detail www.hkqaa.org
Verification Opinion (Continued)

Remarks:

This verification opinion includes page <1> to page <5>



14991693-VER

Introduction:

HKQAA has been commissioned by China Everbright Greentech Limited ("CEGL", address: Room 3602, 36/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong) for the verification of its direct and indirect Greenhouse Gas emissions and removals in accordance with ISO 14064-1:2018 as provided by CEGL in its GHG Statement in form of "CEGL Summary Table for ISO14064 (The Inventory)" and the corresponding worksheet reports (CEGL_CDM_2025, CEGL_GHG_ S1&2_2025 and CEGL_GHG_S3_2025) covering GHG emissions and removals of the reporting period 1st January 2025 to 31st December 2025.

Roles and responsibilities:

CEGL is responsible for the organization's carbon assets management system, the development and maintenance of records and reporting procedures in accordance with the system, including the calculation and determination of GHG emissions and removals information, and the reported GHG emissions and removals. HKQAA verification team is responsible for providing an independent GHG verification opinion on the GHG Statement provided by CEGL for the reporting period.

HKQAA has conducted a third-party independent verification of the provided GHG Statement against the requirements of ISO 14064-3:2019 from February to March 2026. The verification was based on the verification scope, objectives and criteria as agreed between CEGL and HKQAA.

Detail of the Scope:

- The organizational boundary was established following the operational control approach.
- The reporting boundaries were established including the identification of direct and indirect GHG emissions and removals associated with the following CEGL's operations of various waste treatment facilities and environmental operations.
- Title or description activities: Verification of GHG Inventory 2025 for CEGL
- Location/boundary of the activities:
 - o Covers all overseas and local projects and offices with majority operational control
 - o Over 85% of direct GHG emissions (excluding anthropogenic biogenic GHG emissions) were contributed from combustion of municipal solid waste and 65% of GHG removals were contributed from electricity generated from integrated biomass and waste utilisation

- Physical infrastructure, activities, technologies and processes of the organization:
 - o Stationary combustion sources such as fuel combustion for generator set and machinery equipment, combustion of biomass, municipal solid waste and hazardous waste
 - o Mobile combustion sources such as plant vehicles, mobile machines, transportation vehicles for biomass, municipal solid waste and hazardous waste
 - o Indirect energy emissions from purchased electricity and heat
 - o Electricity generation from integrated biomass, municipal solid waste, general industrial solid waste, solar energy and wind power projects
 - o Third-party transportation of biomass, municipal solid waste, hazardous waste, fly ash, bottom ash and sludge from / to projects
 - o Procurement of raw materials, consumables, spare parts, capital goods and maintenance services for operational activities
 - o Upstream supply chain activities associated with fuel extraction, refining and transportation, as well as transmission and distribution losses of purchased electricity
 - o Air travel by employees
 - o Employee commuting
- GHG sources, sinks and/or reservoirs included: GHG sources as presented in the worksheets of "CEGL Summary Table for ISO14064 (The Inventory)" and the corresponding worksheet reports (CEGL_CDM_2025, CEGL_GHG_S1&2_2025 and CEGL_GHG_S3_2025)
- Types of GHGs included: CO₂, CH₄ and N₂O, where NF₃, SF₆, HFCs and PFCs are either not used by CEGL or not in significant amount.
- The data and information supporting the GHG Statement were hypothetical, projected and/or historical in nature.
- GWP adopted: 100-year global warming potentials (GWPs) identified in the IPCC's Sixth Assessment Report.
- GHG information for the following period was verified: 1st January 2025 to 31st December 2025
- Intended user of the verification opinion: Stakeholders identified by CEGL

Remarks:

This verification opinion includes page <1> to page <5>



14991693-VER

Conclusion:

CEGL provided the GHG Statement in form of “CEGL Summary Table for ISO14064 (The Inventory)” and the corresponding worksheet reports (CEGL_CDM_2025, CEGH_GHG_S1&2_2025 and CEGH_GHG_S3_2025) based on the requirements of ISO14064-1:2018. The GHG information for the reporting period disclosing the total direct and indirect greenhouse gas emissions of 2,005,074.7 tonnes of CO₂ equivalent (excluding anthropogenic biogenic GHG emissions) and the direct greenhouse gas removals of 4,238,300.5 tonnes of CO₂ equivalent (excluding anthropogenic biogenic GHG removals) were verified by HKQAA to a reasonable level of assurance (within 5%), consistent with the agreed verification scope, objectives and criteria.

HKQAA adopted a risk-based approach for the verification. Our examination includes assessment of evidence relevant to the amounts and disclosures in relation to CEGH’s reported GHG emissions.

The verification team assessed the GHG Statement in form of “CEGL Summary Table for ISO14064 (The Inventory)” and the corresponding worksheet reports (CEGL_CDM_2025, CEGH_GHG_S1&2_2025 and CEGH_GHG_S3_2025) including the carbon assets management system and reporting protocol. This assessment covered the collection of supporting evidence of the reported data and verified the consistency and appropriateness of the provided protocol reference.

Based on the verification results, the verification team concluded that no material error or omission was identified in the year 2025 Emissions Inventory of CEGH. It is materially correct and is a fair representation of the GHG data and information for the reporting periods at reasonable level assurance. The quantification and reporting is prepared in accordance with ISO14064-1 on GHG quantification, monitoring and reporting.

HKQAA shall be responsible, and shall remain authority to forthwith suspend or withdraw CEGH’s verification opinion under the scheme or reduce the scope of such verification or terminate the contract if CEGH is unable to comply with the requirements of the “Terms and Conditions”.

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Remarks:

This verification opinion includes page <1> to page <5>

APPENDIX 1: LEGAL COMPLIANCE

The table below lists the laws and regulations governing the Group, along with their impact on the Group and relevant control measures:

Scope	Laws and regulations	Potential impact	Control measures of the Group
Environmental	<i>Environmental Protection Law of the People's Republic of China</i>	More stringent and specific requirements for environmental management and more rigorous punishment against violations.	Ensuring compliance with legal regulations and effective cost control through technical upgrades and management enhancement.
	<i>Law of the People's Republic of China on Environmental Impact Assessment, Water Pollution Prevention and Control Law of the People's Republic of China, Atmospheric Pollution Prevention and Control Law of the People's Republic of China, Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes</i>	More stringent requirements and longer approval periods.	Drawing on the experience of existing projects to standardise the related procedures.
	<i>Criminal Law of the People's Republic of China</i>	As the Group's business involves the disposal of waste, it may be subject to criminal liability for the offence of environmental pollution, in addition to relevant civil liability, if non-compliant disposals and emissions cause environmental pollution in the course of its operation.	Enhancing concern for criminal liabilities resulting from environmental pollution and exercising stringent control over all sections of the production process to ensure compliance in emissions.
	<i>Certain Opinions on Promoting Healthy Development of Non-Hydropower Renewable Energy Power Generation, Supplemental Notice on Matters Pertaining to 'Certain Opinions on Promoting Healthy Development of Non-Hydropower Renewable Energy Power Generation', Administrative Measures for the Additional Funds for Renewable Energy Tariffs</i>	The conditions for the grant, the method of calculation, and the subsidy limits for non-hydropower renewable energy have been clarified. The Group's household waste-to-energy and biomass waste-to-energy projects must meet the relevant requirements in order to qualify for the subsidy. Failure to receive the full subsidy will affect project revenue, thereby reducing project returns.	Projects that meet the required conditions should be applied for inclusion in the existing project category as soon as practicable. New projects should be actively pursued for inclusion in the "new project" category. In light of the increasing difficulties in the approval of "new projects", every effort should be made to reduce reliance on national tariff subsidies for revenue through various means. Through technological innovation, the Group has been actively promoting market-oriented commercial environmental projects.
	<i>Marine Environmental Protection Law of the People's Republic of China, Wetland Conservation Law of the People's Republic of China, Yangtze River Protection Law of the People's Republic of China, Yellow River Protection Law of the People's Republic of China, Regulation on the Administration of Permitting of Pollutant Discharges, Administrative Measures for Permitting of Pollutant Discharges, Regulation on Water Conservation</i>	The regulations require companies to adhere to stricter water resource protection standards. Failure to comply with the relevant laws may expose the Group to risks such as fines, project delays, or reputational damage.	All wastewater generated by the Group is either directed to the municipal sewage system for treatment, treated by our own wastewater treatment plant to meet discharge standards, or subjected to zero discharge, aiming to minimise the impact of project operations on the local water environment and water resources. Meanwhile, we promote on-site wastewater recycling.
	<i>Regulation on Ecological Protection Compensation, Measures for Ecological Environmental Administrative Penalty, Provisions on the Compensation for Ecological and Environmental Damage, Measures for the Disclosure of Environmental Information by Enterprises</i>	Any loss of natural capital will have a negative impact on its ability to provide ecosystem services, thereby affecting the stable operation and development of the Group.	The Group has issued <i>Nature-Related Policy</i> to ensure that biodiversity assessments for all projects under its ownership or control. Specific measures have been implemented in planning, construction, and operational stages to mitigate any negative impacts on the surrounding ecological environment and biodiversity.
	<i>Measures for the Administration of Automatic Monitoring of Pollution Sources, Measures for the Administration of the List of Key Units of Environmental Supervision, Administrative Measures for Urban Household Waste, Provisions on the Administration of Urban Construction Waste, Measures for the Administration of Permit for Operation of Dangerous Wastes, Measures for the Administration of the Transfer of Dangerous Wastes, Regulation on Medical Wastes Management</i>	Solid waste pollution may pose significant environmental risks and lead to a determination of environmental pollution offences, resulting in civil or criminal liability, as well as damage to the Group's reputation.	Our projects have established a comprehensive full-process solid waste management system and an environmental pollution prevention and control responsibility framework. Active measures are being taken to reduce the generation of solid waste and prevent industrial solid waste from polluting the environment.

Scope	Laws and regulations	Potential impact	Control measures of the Group
Social	<i>Labour Law of the People's Republic of China, Labour Contract Law of the People's Republic of China, Social Insurance Law of the People's Republic of China, Regulation on the Management of Housing Provident Fund</i>	Higher labour costs and more exacting management requirements.	Improvement of management standards and strict compliance with the law in operations.
	<i>Regulation on Unemployment Insurance, Regulation on Work-Related Injury Insurance, Social Insurance Law of the People's Republic of China</i>	Labour cost increases and violations of relevant laws and regulations may result in fines or legal actions.	Ensuring compliance by establishing a comprehensive social insurance management system
	<i>Patent Law of the People's Republic of China</i>	More exacting requirements for technological development and protection.	Operation in accordance with the law and emphasis on the protection of intellectual property rights.
	<i>Cybersecurity Law of the People's Republic of China</i>	Ensuring cybersecurity to prevent data breaches and cyberattacks.	Strengthening cybersecurity management through regular cybersecurity training and risk assessments.
	<i>Production Safety Law of the People's Republic of China, Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases, Fire Protection Law of the People Republic of China</i>	The requirements for production safety have become more specific and stringent, highlighting the importance of preventing safety-related incidents, while also emphasising the significance of occupational disease prevention and fire safety.	Strictly implementing relevant regulations, managing standard processes effectively, increasing investment in safety matters, strengthening occupational health monitoring, and enhancing fire safety management.

Scope	Laws and regulations	Potential impact	Control measures of the Group
Governance	<i>Criminal Law of the People's Republic of China, Regulations of the Communist Party of China on Disciplinary Penalties, Code of Conduct for Communist Party of China Cadres, Rules of the Communist Party of China on Clean Government and Self-discipline, Regulations of the Communist Party of China on Disciplinary Action</i>	Strengthening corporate governance to prevent functionary embezzlement and corrupt practices, ensuring that the management personnel and employees comply with laws and regulations.	Strictly implementing relevant regulations, strengthening internal audits and oversight, defining codes of conduct, establishing supervision and accountability mechanisms, and regularly conducting anti-corruption training.
	<i>Anti-Unfair Competition Law of the People's Republic of China</i>	Maintaining market order and preventing unfair competition.	Establishing a corporate culture of fair competition and conducting regular compliance training.
	<i>Anti-Money Laundering Law of the People's Republic of China</i>	Mitigating money laundering risks and protecting the Company's reputation.	Implementing strict customer identity verification processes, monitoring transactions, and promptly reporting suspicious activities.

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

Safety and Environmental Management	CEEGL General Principles of Safety and Environmental Management
	CEEGL Manual of Technical Support to Safety Operation and Pollutants Control
	CEEGL Regulations for Safety and Environmental Education and Training
	CEEGL Regulations for Emergency Response to Production Safety Incidents
	CEEGL Overall Emergency Response Plan for Sudden Incidents, Emergency Response Plan for Oversea Incidents, and Special Emergency Response Plan for Overseas Incidents
	CEEGL Regulations for Work Safety and Environmental Protection in Construction Projects
	CEEGL Regulations on the Administration of Work Tickets and Operation Tickets
	CEEGL Regulations on the Safety and Environmental Management Rating of Operating Projects
	CEEGL Administrative Measures for the Annual Rating of Outstanding Performance in Safety and Environmental Management
	CEEGL Safety Accidents and Environmental Incident Management Regulations
	CEEGL Regulations for Emergency Management of Environmental Incidents
	CEEGL Management Regulations for Flood Control and Prevention
	CEEGL Safety, Health, and Environmental Management Regulations for External Partners
	Waste, Energy and Water Resources Management Policy
	Ecological and Environmental Protection Management System
	Accountability Tracking System for Environmental Incidents
	Safety Management Handbook
	Safety Management Standards for Biomass Feedstock Depot, Waste Intake and Temporary Hazardous Waste Storage
	Safety Management Standards for Hot Work, Aerial Work, Work in Confined Space and Temporary Power Usage
	Safety Management Standards for External Partners
	Safety Management Standards for In-house Motor Vehicles
	Management Standards for On-site Risk Control at Production and Construction Sites
	Management Standards for the Dual Prevention Mechanism of Tiered Safety Risk Control and Hazard Inspection and Treatment
	Administrative Regulations for Fire Prevention
	Compilation of Typical Incident Cases for Alert and Education
	Implementation Measures of the Safe Production Accountability System for Typical Job Positions
	Standards for the Installation of Safety Facilities
	Administrative Measures for Work Project Construction
	Nature-related Policy
	Management Measures for Work Safety Expenses
	Safety and Environmental Refined Management Handbook
	Management Measures for Accountability in Safety and Environmental Incidents
	Climate Change Policy
Occupational Health	CEEGL Regulations on Occupational Health Management
	CEEGL Safety, Health, and Environmental Management Regulations for Stakeholders
	Occupational Health Management Standard
	Occupational Health Supervision Management Standard
	Measures for the Management of Safe Production, Employees' Health and Accidental Injury Protection Fund

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

Procurement and Suppliers' Management	Procurement Management System
	Supplier Management Measures
	Measures for the Management of Accountability for Procurement Breach
	Operating Manual for the Evaluation of Suppliers
	Measures for the Management of Tenders and Non-tender-based Procurement
	Supplier Code of Conduct
Business Ethics	CEEGL Administrative Measures for "Briber Blacklist"
	CEEGL Notice on the Further Implementation of Regulations pertaining to Periods Subject to Punishment Against Disciplinary and Regulatory Violations
	CEEGL Handbook for the Prevention and Control of Probity Risks Associated with Crucial Elements in Key Sectors
	CEEGL Anti-corruption, Anti-bribery and Anti-money Laundering Policy
	Managers and Employees Recusal Policy
	Measures on Accountability for Breach of Regulations
	Management Measures for Work Secrets and Trade Secret (Trial)
	Whistleblowing Policy
	Notice on the Public Announcement of Everbright Greentech's Channels for Pressing Charges
	Corporate Code of Conduct
Risk Management	Risk Management Policy
	Administrative Regulations on Legal Affairs
Cyber and Information Security	CEEGL Confidentiality Management Regulations
	CEEGL Employee Network and Information Security Handbook
	CEEGL IT Management Administration System
	CEEGL IT Security Administrative Measures
	CEEGL Notice on Further Enhancing Management of Software Licensing Authorisation and Prevention of Infringement Risk
	CEEGL Data Management Policy
Technology Management and Development	CEEGL Measures for the Reward of Technological R&D
	Measures for the Management of Intellectual Property Rights
	Measures for the Management of Technology R&D Projects
	Measures for the Reward of Technological Innovation
	Measures for the R&D Projects Appraisal
	Measures for the Management of Engagement of External Expertise (Trial)
Employee Development	CEEGL Training Instructors and Course Management Regulations
	CEEGL Measures on Records of Officers' Selection and Appointment (Trial)
	Department Functions, Organisational Structure, Roles and Responsibilities, and Qualification Requirements
	Measures for the Administration of Professional Qualifications and Specialised Technical Titles
	Management Measures for Assessments and Appointments in relation to Specialised Technical Positions
	Management Measures for Assessments and Appointments in relation to the Positions of Functional Management Specialists
	Management Measures for Headquarters Professional Sequence (Trial)
	Staff Handbook
	Measures for the Management of Training
	Regulations on the Selection and Appointment of Officers
	Administrative Measures for Back-up Cadre Management
	Administrative Measures for Education and Training
	Remuneration Package Management System
	Measures for the Management of Employees Recruitment and Appointment
	Workforce Diversity Policy
	Open Recruitment Management System
	Work Scheme for Cadre and Employee Position and Rank Assessment

APPENDIX 3: KPI OVERVIEW

Operating Performance

Indicator	Unit	2025	2024	2023
Operating Capacity				
Biomass raw materials processing volume ¹	tonne	7,350,687	7,527,384	8,063,515
Household waste processing volume	tonne	3,683,365	3,581,142	3,262,144
Hazardous and solid waste processing volume	tonne	539,542	556,899	495,708
General industrial solid waste processing volume	tonne	418,473	380,672	363,166
On-grid green electricity ²	MWh	6,623,601	6,665,142	6,498,329
On-grid green electricity per tonne of biomass ³	kWh/tonne of biomass	726	719	660
Volume of steam supplied	tonne	4,486,854	3,607,859	3,116,400
Volume of hot water supplied	GJ	194,342	170,059	102,714
Total length of aboveground transmission lines	km	201	211	211
Total length of underground transmission lines	km	50	49	49
Number of Institutional and Commercial Clients				
Population of cities served	million persons	268	271	274
Number of industrial/commercial clients	No.	4,390	4,375	4,503
Number of government agencies	No.	167	166	186

¹ Comprising biomass fuel only. As per industry practices, this data is reported on a wet weight basis.

² Comprising total grid-connected electricity generation from wind power, solar energy, biomass incineration, household waste incineration and general industrial solid waste incineration.

³ Covering green electricity generated and biomass processed volume from biomass incineration projects only. Biomass processed volume is calculated on a wet weight basis.

Environmental Performance⁴

Indicator	Unit	2025	2024	2023
Air Pollutant Emissions⁵				
Nitrogen oxides (NO _x)	tonne	4,530	4,195	4,176
Sulphur oxides (SO _x)	tonne	1,562	1,474	1,422
Particulate matter	tonne	175	193	215
GHG Emissions⁶				
Scope 1 - Direct GHG emissions	tonne CO ₂ equivalent	1,792,897	1,643,271	1,557,308 (Restated)
Fossil fuel combustion - stationary source	tonne CO ₂ equivalent	25,884	33,163	57,102
Fossil fuel combustion - mobile source	tonne CO ₂ equivalent	8,830	13,737	11,852
Waste incineration emissions (fossil carbon)	tonne CO ₂ equivalent	1,625,369	1,474,470	1,353,387
Waste incineration emissions (CH ₄ , N ₂ O)	tonne CO ₂ equivalent	52,654	50,856	46,530
Biomass incineration emissions (CH ₄)	tonne CO ₂ equivalent	65,644	61,265	1,097
Biogas combustion emissions from leachate anaerobic treatment (CH ₄)	tonne CO ₂ equivalent	14,515	9,781	87,340
Scope 2 – Energy indirect GHG emissions	tonne CO ₂ equivalent	53,597	53,683	66,887 (Restated)
Purchased electricity (location-based) ⁷	tonne CO ₂ equivalent	47,087	50,466	64,591
Purchased steam (heat)	tonne CO ₂ equivalent	6,510	3,217	2,296
Scope 3 - Other indirect GHG emissions	tonne CO ₂ equivalent	158,581	73,998	64,061 (Restated)
Category 1 Purchased goods and services	tonne CO ₂ equivalent	71,968	Not Calculated	Not Calculated
Category 2 Capital goods	tonne CO ₂ equivalent	2,108	Not Calculated	Not Calculated
Category 3 Fuel- and energy-related activities	tonne CO ₂ equivalent	10,789	Not Calculated	Not Calculated
Category 4 Upstream transportation and distribution	tonne CO ₂ equivalent	68,290	70,678	60,867
Category 5 Waste generated in operations	tonne CO ₂ equivalent	4,036	3,000	3,082
Category 6 Business travel	tonne CO ₂ equivalent	237	320	112
Category 7 Employee commuting	tonne CO ₂ equivalent	1,152	Not Calculated	Not Calculated
Total GHG emissions (Scopes 1 and 2)	tonne CO ₂ equivalent	1,846,494	1,696,954	1,624,195 (Restated)
Total GHG emissions (Scopes 1, 2 and 3)	tonne CO ₂ equivalent	2,005,075	1,770,952	1,688,256 (Restated)
GHG emission reduction ⁸	tonne CO ₂ equivalent	3,433,036	3,399,723	3,903,538 (Restated)
Biogenic GHG emission ⁹	tonne CO ₂ equivalent	9,679,439	9,222,933 (Restated)	9,842,268 (Restated)
GHG Intensity (Based on Operating Revenue)				
GHG emission intensity (Scopes 1 and 2)	tonne CO ₂ equivalent/ HK\$ million	292.33	262.86	254.4 (Restated)
GHG emission intensity (Scopes 1, 2 and 3)	tonne CO ₂ equivalent/ HK\$ million	317.44	275.96	263.27 (Restated)

⁴ Due to an increase in the Group's treatment volume of household waste and general industrial solid waste during the Reporting Year, certain environmental indicators (including air pollutant emissions, GHG emissions, waste generation, and water consumption) have shown a slight increase. We will continue to closely monitor our environmental performance and actively seek improvements to minimise the environmental impact of our business operations.

⁵ Data are derived from the automatic online monitoring systems installed on the combustion units at various projects.

⁶ For detailed GHG emissions accounting methodologies, referenced standards, and sources of emission factors, please refer to Appendix 6: GHG Accounting Scope and Methodology. The Group has adjusted its GHG accounting methodology in 2024 and has restated the 2023 data accordingly. For the sake of brevity, only key indicators are marked as "Restated". However, all underlying sub-item data have also been recalculated based on the new methodology.

⁷ As the Group did not hold any Energy Attribute Certificates (e.g., Green Energy Certificates) during the Reporting Year, the market-based emission figure is identical to the location-based figure and is therefore not listed separately.

⁸ For definitions and methodologies regarding GHG emission reductions, please refer to Appendix 6: GHG Accounting Scope and Methodology. The decrease in GHG emission reduction in recent years is primarily due to a decline in China's regional grid baseline emission factors (reflecting the decarbonisation of the grid). This resulted in a lower calculated baseline emissions, which is not indicative of any decline in the Group's operational efficiency.

⁹ Following international guidelines, biogenic CO₂ emissions from waste combustion are reported as a supplementary item and excluded from the Scope 1 direct GHG emissions. The Group has refined the definition to cover biogenic CO₂ emissions generated during the incineration of biomass, household waste (e.g., food, paper, wood), general industrial solid waste, and hazardous/clinical waste (e.g., cotton, pathological tissues). The 2023 and 2024 data have been restated accordingly.

Indicator	Unit	2025	2024	2023
Hazardous Waste Generated and Intensity				
Hazardous waste generated	tonne	288,999	287,553	215,299
Hazardous waste intensity (based on operating revenue)	tonne/HK\$ million	45.75	44.81	33.57
Non-Hazardous Waste Generated and Intensity				
Non-hazardous waste generated	tonne	3,237,502	3,376,768	3,257,193
Non-hazardous waste intensity (based on operating revenue)	tonne/HK\$ million	512.55	526.19	507.93
Energy Consumption and Intensity¹⁰				
Direct energy	MWh	30,000,618	28,774,589	27,023,148 (Restated)
Gasoline	MWh	2,590	5,669	4,302
Diesel	MWh	59,480	74,058	91,755
Liquefied natural gas (LNG)	MWh	26	0	99
Liquefied petroleum gas (LPG)	MWh	529	519	722
Natural gas	MWh	37,989	57,697	90,229
Heavy fuel oil	MWh	6	0	25,451
Other fuel oil	MWh	9,479	7,998	0
Household waste (fossil carbon)	MWh	6,046,812	5,778,708	5,543,005
Household waste (biogenic carbon)	MWh	7,014,302	6,703,302	6,429,885
General industrial solid waste (fossil carbon)	MWh	1,011,914	911,770	872,745
General industrial solid waste (biogenic carbon)	MWh	1,173,820	1,057,653	1,012,384
Biomass (biogenic carbon)	MWh	20,493,519	19,493,766	21,357,504
Self-generated and self-consumed electricity ¹¹	MWh	862,953	859,184	792,556
Self-generated and self-consumed steam (heat) ¹¹	MWh	3,653,084	3,501,448	55,756
Sold electricity	MWh	(6,625,266)	(6,665,537)	(6,498,329)
Sold steam (heat)	MWh	(3,686,637)	(2,964,407)	(2,726,384)
Sold hot water (heat)	MWh	(53,984)	(47,239)	(28,532)
Indirect energy	MWh	106,827	98,737	116,137
Purchased electricity	MWh	90,387	90,613	110,338
Purchased steam (heat)	MWh	16,440	8,124	5,799
Total energy consumption	MWh	30,107,446	28,873,326	27,139,285 (Restated)
Energy intensity (based on operating revenue)	MWh/HK\$ thousand	4.77	4.47	4.28 (Restated)
Water Consumption and Intensity				
Total water consumption ¹²	m ³	30,408,925	26,984,525	25,545,940 (Restated)
Water consumption intensity (based on operating revenue)	m ³ /HK\$ thousand	4.81	4.20	3.98 (Restated)
Packaging Material Used for Finished Products and Intensity				
Total packaging material used	tonne	0	0	0
Intensity of packaging material use (based on operating revenue)	kg/HK\$ million	0	0	0

¹⁰ Total energy consumption = (non-renewable fuels + renewable fuels + self-generated and self-consumed renewable energy + purchased energy + self-generated but unconsumed energy) - energy sold. Fuel energy conversion is calculated using the lower heating value, while steam energy conversion is determined by temperature and pressure. According to the GRI Standards, biomass is classified as a renewable fuel. There was no unconsumed self-generated energy during the Reporting Year.

¹¹ The Group has refined the definition to specifically refer to renewable self-generated and self-consumed energy.

¹² Total water consumption = total water withdrawal - total water discharge.

Water Discharge by Destination ¹³	Unit	Integrated Biomass Utilisation	Hazardous and Solid Waste Treatment	General Industrial Solid Waste Treatment	Solar Energy and Wind Power	Office Operation
All Areas						
Municipal/third-party wastewater treatment plants	m ³	2,025,220	149,945	484,934	2,671	298
Surface water	m ³	631,109	70,577	0	0	2,138

Areas with High Water Stress						
Municipal/third-party wastewater treatment plants	m ³	491,533	10,388	206,575	61	0
Surface water	m ³	257,710	70,577	0	0	0

Water Withdrawal by Sources	Unit	Integrated Biomass Utilisation	Hazardous and Solid Waste Treatment	General Industrial Solid Waste Treatment	Solar Energy and Wind Power	Office Operation
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All areas						
Surface water	m ³	17,804,199	176,683	1,231,296	0	2,138
Ground water	m ³	184,285	4,437	0	0	0
On-site reused water	m ³	1,036,163	32,928	4,400	0	0
On-site rainwater harvesting and storage	m ³	191,636	58,919	0	0	0
Municipal water supply/other water supply facilities – fresh water	m ³	1,345,629	728,914	265,215	2,671	298
Municipal water supply/other water supply facilities – reclaimed water	m ³	10,586,176	0	186,187	0	3

Areas with High Water Stress						
Surface water	m ³	4,047,041	0	527,559	0	0
Ground water	m ³	142,021	0	0	0	0
On-site reused water	m ³	22,290	10,917	4,400	0	0
On-site rainwater harvesting and storage	m ³	107,093	54,047	0	0	0
Municipal water supply/other water supply facilities – fresh water	m ³	74,113	408,856	0	61	0
Municipal water supply/other water supply facilities – reclaimed water	m ³	2,371,759	0	186,187	0	0

¹³ Sewage treatment facilities varied across projects. The main processes include pre-treatment (reduction-neutralization, flocculation and sedimentation), secondary treatment (anaerobic/aerobic processing, membrane bioreactor (MBR), disk tubular reverse osmosis (DTRO), etc.), filtration (nanofiltration, reverse osmosis) and disinfection prior to reuse or discharge. Discharge quality requirements also vary by project. The chemical oxygen demand (“COD”) of all treated sewage must comply with the Class III standard of the Integrated Wastewater Discharge Standard (GB 8978-1996), specifically ≤ 500 mg/L, with Suspended Solids (SS) ≤ 400 mg/L. Certain treated sewage must meet the cooling water standards under The Reuse of Urban Recycling Water – Water Quality Standard for Industrial Uses (GB/T 19923-2005) before discharge or reuse, requiring a stricter limit of COD ≤ 60 mg/L and SS ≤ 1 mg/L.

Hazardous Waste Disposed (by Disposal Operations)	Unit	Integrated Biomass Utilisation	Hazardous and Solid Waste Treatment	General Industrial Solid Waste Treatment	Solar Energy and Wind Power	Office Operation
Preparation for reuse (enabling items that would otherwise become waste to be put to their original use again through inspection, cleaning or repair)	tonne	0	0	0	0	0
Regeneration (regeneration of waste into new materials through reprocessing and manufacturing)	tonne	1	0	0	0	0
Incineration (with including energy recycling)	tonne	0	661	0	0	0
Incineration (without energy recycling)	tonne	3	623	0	0	0
Landfill after solidification	tonne	128,600	53,275	8,415	0	0
Landfill	tonne	0	1,664	0	0	0
On-site storage	tonne	39,972	1,426	500	0	0
Handling by qualified agents entrusted	tonne	25,031	5,716	23,110	1	0

Hazardous Waste Disposed (by Type)	Unit	Integrated Biomass Utilisation	Hazardous and Solid Waste Treatment	General Industrial Solid Waste Treatment	Solar Energy and Wind Power	Office Operation
Fly ash	tonne	0	38,964	0	0	0
Bottom ash	tonne	193,530	20,681	32,022	0	0
Sludge (from sewage treatment facilities)	tonne	0	3,008	0	0	0
Waste activated carbon	tonne	6	625	2	0	0
Waste motor oil	tonne	44	3	1	0	0
Waste fabric bags	tonne	23	42	0	0	0
Toner cartridges	tonne	1	5	0	0	0
Ink cartridges	tonne	1	0	0	0	0
Fluorescent tubes	tonne	0	0	0	0	0
Others	tonne	3	37	0	1	0

Non-Hazardous Waste Disposed (by Disposal Operations)	Unit	Integrated Biomass Utilisation	Hazardous and Solid Waste Treatment	General Industrial Solid Waste Treatment	Solar Energy and Wind Power	Office Operation
Preparation for reuse (enabling items that would otherwise become waste to be put to their original use again through inspection, cleaning or repair)	tonne	0	0	0	0	0
Regeneration (regeneration of waste into new materials through reprocessing and manufacturing)	tonne	595	0	0	0	2
Incineration (with energy recycling)	tonne	19,891	7	35	0	36
Incineration (without energy recycling)	tonne	140	166	0	6	0
Landfill after solidification	tonne	0	0	0	0	0
Landfill	tonne	0	1	0	0	0
On-site storage	tonne	48,493	0	40	0	0
Handling by qualified agents entrusted	tonne	3,040,976	66	127,049	0	0

Non-Hazardous Waste Disposed (by Type)	Unit	Integrated Biomass Utilisation	Hazardous and Solid Waste Treatment	General Industrial Solid Waste Treatment	Solar Energy and Wind Power	Office Operation
Fly ash	tonne	670,099	0	0	0	0
Bottom ash	tonne	2,419,090	0	127,089	0	0
Sludge (from sewage treatment facilities)	tonne	19,358	0	0	0	0
Food waste	tonne	239	101	12	4	0
Household waste	tonne	740	140	23	2	36
Waste bags	tonne	11	0	0	0	0
Scrap metals	tonne	550	0	0	0	0
Others	tonne	7	0	0	0	2

Social Performance

Indicator			Unit	2025	2024	2023
Total Employee Headcount ¹⁴			person	3,273	3,337	3,569
By gender	Male	person		2,594	2,650	2,820
	Female	person		679	687	749
By age	30 or below	person		963	1,121	1,286
	31-40	person		1,628	1,615	1,679
	41-50	person		548	487	483
	51 or above	person		134	114	121
By employment contract	Permanent	person		1,204	1,750	509
	Term	person		2,069	1,587	3,060
By employment category	Full-time	person		3,273	3,337	3,569
	Part-time	person		0	0	0
By position	Senior management	person		95	106	112
	Middle-level management	person		519	567	545
	General and technical staff	person		2,659	2,664	2,912
By geographical region	Hong Kong	person		11	12	16
	Chinese Mainland	person		3,262	3,325	3,553
By ethnicity	Chinese (Han)	person		3,236	3,299	3,517
	Chinese(Ethnic Minorities)	person		37	38	52
New Employee Headcount and Ratio			person(%)	232 (7.09%)	285 (8.54%)	434 (12.16%)
By gender	Male	person(%)		182 (5.56%)	246 (7.37%)	355 (9.95%)
	Female	person(%)		50 (1.53%)	39 (1.17%)	79 (2.21%)
By age	30 or below	person(%)		185 (5.65%)	201 (6.02%)	287 (8.04%)
	31-40	person(%)		35 (1.07%)	68 (2.04%)	123 (3.45%)
	41-50	person(%)		11 (0.34%)	15 (0.45%)	23 (0.64%)
	51 or above	person(%)		1 (0.03%)	1 (0.03%)	1 (0.03%)
By geographical region	Hong Kong	person(%)		0 (0.00%)	2 (0.06%)	2 (0.06%)
	Chinese Mainland	person(%)		232 (7.09%)	283 (8.48%)	432 (12.10%)
Employee Turnover Headcount and Ratio			person(%)	221 (6.75%)	488 (14.62%)	419 (11.74%)
By gender	Male	person(%)		180 (5.50%)	400 (11.99%)	330 (9.25%)
	Female	person(%)		41 (1.25%)	88 (2.64%)	89 (2.49%)
By age	30 or below	person(%)		114 (3.48%)	211 (6.32%)	188 (5.27%)
	31-40	person(%)		69 (2.11%)	200 (5.99%)	176 (4.93%)
	41-50	person(%)		28 (0.86%)	58 (1.74%)	41 (1.15%)
	51 or above	person(%)		10 (0.31%)	19 (0.57%)	14 (0.39%)
By geographical region	Hong Kong	person(%)		1 (0.03%)	7 (0.21%)	2 (0.06%)
	Chinese Mainland	person(%)		220 (6.72%)	481 (14.41%)	417 (11.68%)
Employee Voluntary Turnover Ratio			(%)	197 (6.02%)	280 (8.39%)	350 (10.49%)
By gender	Male	(%)		164 (5.01%)	228 (6.83%)	283 (8.48%)
	Female	(%)		33 (1.01%)	52 (1.56%)	67 (2.01%)
Employee Diversity						
Ratio of female employees by position	All management positions	%		12.87%	11.74%	12.52%
	Senior management	%		10.53%	10.38%	9.91%
	Middle-level and junior management	%		13.29%	11.99%	13.15%
	Management in revenue-generating functions	%		11.32%	29.17%	27.78%
	STEM-related positions	%		13.84%	2.07%	10.23%

¹⁴ Comprising 2,894 employees with direct labor contracts and 379 other workers (including re-employed retirees, outsourced personnel, and dispatched labor).

Indicator			Unit	2025	2024	2023
Parental Leave						
Total number of employees eligible for parental leave during the year ¹⁵	Male	person		318	363	601
	Female	person		97	116	153
Total number of employees applying for parental leave during the year	Male	person		72	81	66
	Female	person		36	52	42
Total number of employees returning to work after parental leave and return to work rate during the year	Male	person(%)		70 (97.22%)	74 (91.36%)	63 (95.45%)
	Female	person(%)		32 (88.89%)	38 (73.08%)	41 (97.62%)
Total number of employees returning to work after parental leave and remaining in service after 12 months and retention rate during the year	Male	person(%)		55 (76.39%)	45 (55.56%)	32 (48.48%)
	Female	person(%)		26 (72.22%)	27 (51.92%)	20 (47.62%)
Health and Safety						
Number and ratio of workers covered by occupational health and safety management system ¹⁶		person(%)		6,573 (100%)	6,438 (99.66%)	7,702 (100%)
Number and ratio of workers covered by internally audited management systems ¹⁷		person(%)		6,573 (100%)	6,438 (99.66%)	7,702 (100%)
Number and ratio of workers covered by externally certified management systems ¹⁸		person(%)		3,273 (49.79%)	3,337 (51.66%)	3,569 (45.13%)
Number and rate of fatality caused by work-related injuries ¹⁹	Employee	case (case/per 200,000 hours)		0 (0)	0 (0)	0 (0)
	Other worker	case (case/per 200,000 hours)		0 (0)	0 (0)	0 (0)
Number and rate of high-consequence work-related injuries ²⁰	Employee	case (case/per 200,000 hours)		0 (0)	0 (0)	0 (0)
	Other worker	case (case/per 200,000 hours)		0 (0)	0 (0)	0 (0)
Number and rate of recordable work-related injuries ²¹	Employee	case (case/per 200,000 hours)		5 (0.15)	5 (0.15)	0 (0)
	Other worker	case (case/per 200,000 hours)		2 (0.05)	2 (0.06)	0 (0)
Lost days due to work-related injuries	Employee	day		339	286	0
	Other worker	day		20	163	0
Number of work-related ill health	Employee	case		0	0	0
	Other worker	case		0	0	0
Working hours ²²	Employee	hour		6,493,632	6,674,000	7,138,000
	Other worker	hour		7,299,136	7,160,000	8,266,000
Employee Training Ratio						
		%		100%	100%	93%
By gender	Male	%		100%	100%	93%
	Female	%		100%	100%	94%
By position	Senior management	%		100%	100%	95%
	Middle-level management	%		100%	100%	91%
	General and technical staff	%		100%	100%	94%
Average Employee Training Hours						
		hour		46.44	27.84	17.48
By gender	Male	hour		49.73	30.77	18.98
	Female	hour		34.03	16.51	11.85
By position	Senior management	hour		55.02	35.02	26.79
	Middle-level management	hour		48.50	17.24	14.7
	General and technical staff	hour		45.77	29.81	17.64
Employee Training Expenses						
Total training expenses		HK\$		920,045	826,026	666,059
Average training expenses per full-time employee		HK\$/person		281	248	187
Number of Suppliers						
		No.		3,155	3,021	2,908
By geographical region	Hong Kong	No.		95	73	59
	Chinese Mainland	No.		3,060	2,948	2,849
	Overseas	No.		0	0	0
By type	Raw materials and equipment	No.		1,322	1,410	2,014
	Engineering work	No.		186	266	140
	Other services ²³	No.		1,647	1,345	754

¹⁵ The decrease in the total number of employees eligible for parental leave during the Reporting Year is attributable to policy change and declining birth rates in Chinese Mainland in recent years.

¹⁶ Comprising employees and on-site outsourced workers from third-party contractors and subcontractors. Specifically, the number of on-site outsourced workers was 3,300.

¹⁷ Refers to the Group's QEHS Management System.

¹⁸ Refers to ISO 45001 or OHSAS 18001 Occupational Health and Safety Management System.

¹⁹ Rate of fatalities caused by work-related injuries = (number of fatalities caused by work-related injuries/total work hours) x 200,000.

²⁰ Work-related injury sustained by a worker that will not or is not likely to recover to the healthy conditions prior to the injury within six months, excluding fatal cases.

Rate of high-consequence work-related injuries = (number of persons suffering from high-consequence work-related injuries/total working hours) x 200,000.

²¹ Including fatality caused by work-related injuries, high-consequence work-related injuries and other work-related injuries. Traffic accidents on the way to and from work fulfilling the stated conditions for work-related injuries under the Regulation on Work-related Injury Insurance of the People's Republic of China, are included in the calculation of work-related injury statistics.

²² Estimations based on 8 hours' work per working day and 248 working days per year per worker in accordance with pertinent laws and regulations.

²³ Including property, consultancy, printing, inspection and testing maintenance services, among others.

Indicator	Unit	2025	2024	2023
Annual Remuneration and Ratio²⁴				
Total remuneration of the highest-paid individual	HK\$	2,072,552	1,986,510	2,800,000
The median of the total remuneration of all employees ²⁵ (excluding the highest-paid individual)	HK\$	109,677	106,711	104,896
Ratio of the total remuneration of the highest-paid individual to the median of the total remuneration of all employees (excluding the highest-paid individual)	—	18.90:1	18.62:1	26.99:1
Ratio of the annual percentage change in total remuneration of the highest-paid individual to the median percentage change in annual total remuneration of all employees (excluding the highest paid individual)	—	1.56:1	-16.79:1	1.46:1
Average Remuneration by Employee Ranking²⁴				
Basic salary of senior management (male)	HK\$	275,337	235,617	245,840
Basic salary of senior management (female)	HK\$	513,963	265,762	258,861
Ratio of the basic salary of senior management (female) to the basic salary of senior management (male)	—	1.87:1	1.13:1	1.05:1
Basic salary and bonus of senior management (male)	HK\$	411,901	294,363	344,009
Basic salary and bonus of senior management (female)	HK\$	641,469	377,141	348,340
Ratio of the basic salary and bonus of senior management (female) to the basic salary and bonus of senior management (male)	—	1.56:1	1.28:1	1.01:1
Basic salary of middle-level management (male)	HK\$	365,517	149,394	202,409
Basic salary of middle-level management (female)	HK\$	332,306	157,256	192,201
Ratio of the basic salary of middle-level management (female) to the basic salary of middle-level management (male)	—	0.91:1	1.05:1	0.95:1
Basic salary and bonus of middle-level management (male)	HK\$	439,728	186,349	242,502
Basic salary and bonus of middle-level management (female)	HK\$	404,819	196,384	236,094
Ratio of the basic salary and bonus of middle-level management (female) to the basic salary and bonus of middle-level management (male)	—	0.92:1	1.05:1	0.97:1
Basic salary of general and technical staff (male)	HK\$	178,975	79,038	101,073
Basic salary of general and technical staff (female)	HK\$	163,264	71,062	87,369
Ratio of the basic salary of general and technical staff (female) to the basic salary of general and technical staff (male)	—	0.91:1	0.90:1	0.86:1
Basic salary and bonus of general and technical staff (male)	HK\$	201,581	93,778	114,486
Basic salary and bonus of general and technical staff (female)	HK\$	189,059	84,826	100,001
Ratio of the basic salary and bonus of general and technical staff (female) to the basic salary and bonus of general and technical staff (male)	—	0.94:1	0.90:1	0.87:1

²⁴ Since the bonus of the highest-paid individual has not yet been determined, the bonus data is temporarily based on the previous year's figures.

²⁵ Including employees with direct contracts only.

APPENDIX 4: STOCK EXCHANGE ESG REPORTING CODE CONTENT INDEX

Aspects	Contents	Relevant Chapter(s) and/or Other Explanations	Page
A. Environmental			
A1 Emissions			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the Issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	— Green Recycling — Appendix 3: KPI Overview The Group observed stringent compliance with pertinent laws and regulations of the places where it operated during the Reporting Year to ensure legal compliance. For details of the Group's legal management, please refer to the section "Appendix 1: Legal Compliance" in this Report. Meanwhile, the Group has also formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	72-104, 159
A1.1	The types of emissions and respective emissions data.		164
A1.3	Total hazardous waste produced and intensity.		165
A1.4	Total non-hazardous waste produced and intensity.		165
A1.5	Description of emission target(s) set and steps taken to achieve them.		50-52
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	The Group has not yet set specific targets for emission reduction and waste reduction, but it has continuously monitored the performance of emissions and waste generation and will consider setting targets in the future.	76
A2 Use of Resources			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	— Green Recycling — Stable Supply — Appendix 3: KPI Overview The Group has formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	72-104, 159
A2.1	Direct and/or indirect energy consumption by type in total and intensity, including energy, water and other raw materials.		165
A2.2	Water consumption in total and intensity.		165
A2.3	Description of energy use efficiency targets set and steps taken to achieve them.		89-92
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency targets set and steps taken to achieve them.	The Group has not yet set specific targets for energy conservation and water conservation, but it has continuously monitored the performance of energy use and water use and will consider setting targets in the future. The Group is not subject to problems in connection with access to water sources for the time being. The Group is engaged in the provision of environmental services. Due to the nature of the Group's business, no packaging materials were used during the Reporting Year.	92-95
A2.5	Total packaging material used for finished products and per unit produced.		165
A3 Environment and Natural Resources			
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	— Green Recycling The Group is engaged in the provision of environmental services and did not generate any material adverse impact on the environment and natural resources during the Reporting Year. Meanwhile, the Group has also formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	72-104, 159
A3.1	Description of the significant impacts of activities on the environment and natural resources.		72-104

Aspects	Contents	Relevant Chapter(s) and/or Other Explanations	Page
B. Social			
B1 Employment			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the Issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	— Employee Development — Appendix 3: KPI Overview The Group observed stringent compliance with pertinent laws and regulations of the places where it operated during the Reporting Year to ensure legal compliance. For details of the Group's legal management, please refer to the section "Appendix 1: Legal Compliance" in this Report. Meanwhile, the Group has also formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	127-150, 159
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.		168
B1.2	Employee turnover rate by gender, age group and geographical region.		168
B2 Health and Safety			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the Issuer relating to providing a safe working environment and protecting employees from occupational hazards.	— Safe Production — Appendix 3: KPI Overview The Group observed stringent compliance with pertinent laws and regulations of the places where it operated during the Reporting Year to ensure legal compliance. For details of the Group's legal management, please refer to the section "Appendix 1: Legal Compliance" in this Report. Meanwhile, the Group has also formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	54-71, 159
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.		169
B2.2	Lost days due to work injury.		169
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.		54-71
B3 Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	— Safe Production — Employee Development — Appendix 3: KPI Overview The Group has formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	54-71, 142-145, 159
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).		169
B3.2	The average training hours completed per employee by gender and employee category.		169
B4 Labour Standards			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	— Employee Development The Group observed stringent compliance with pertinent laws and regulations of the places where it operated during the Reporting Year to ensure legal compliance. For details of the Group's legal management, please refer to the section "Appendix 1: Legal Compliance" in this Report. Meanwhile, the Group has also formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	133, 142, 144
B4.1	Description of measures to review employment practices to avoid child and forced labour.		133
B4.2	Description of steps taken to eliminate such practices when discovered.		133

Aspects	Contents	Relevant Chapter(s) and/or Other Explanations	Page
B5 Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	— Safe Production — Green Recycling — Stable Supply — Appendix 3: KPI Overview	61-62, 112-116, 161-162
B5.1	Number of suppliers by geographical region.		168
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	The Group has formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	112-116
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.		112-116
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.		104, 112-116
B6 Product Responsibility			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	— Stable Supply The Group's operations did not involve matters relating to advertisements and labels or recall measures. The Group observed stringent compliance with pertinent laws and regulations of the places where it operated during the Reporting Year to ensure legal compliance. For details of the Group's legal management, please refer to the section "Appendix 1: Legal Compliance" in this Report. In addition, the Group did not receive any material complaint about products and services during the Reporting Year. Meanwhile, the Group has also formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	105-112, 160
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.		—
B6.2	Number of products and service-related complaints received and how they are dealt with.		106-107
B6.3	Description of practices relating to observing and protecting intellectual property rights		112
B6.4	Description of quality assurance process and recall procedures		107
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.		111
B7 Anti-corruption			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	— Promotion of Sustainable Development The Group and its staff observed stringent compliance with pertinent laws and regulations of the places where it operated during the Reporting Year to ensure legal compliance. For details of the Group's legal management, please refer to the section "Appendix 1: Legal Compliance" in this Report. In addition, the Group did not receive any material complaint about corruption during the Reporting Year. Meanwhile, the Group has also formulated relevant ESG policies. For details of the ESG policies, please refer to the section "Appendix 2: List of Important ESG Policies" in this Report.	14-16, 160, 162
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Year and the outcomes of the cases.		15
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.		15-16
B7.3	Description of anti-corruption training provided to Directors and staff.		14-15

Aspects	Contents	Relevant Chapter(s) and/or Other Explanations	Page
B8 Community Investment			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	— Employee Development	146-150
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).		146-150
B8.2	Resources contributed (e.g. money or time) to the focus area.		146-150
D. Climate-related Disclosures			
(I) Governance			
Para. 19	An issuer shall disclose information about: (a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities; (b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities	— Addressing Climate Change — Promotion of Sustainable Development	10-13, 32-33
(II) Strategy			
Para. 20	Climate-related risks and opportunities	— Addressing Climate Change	34-38
Para. 21	Business model and value chain	— Addressing Climate Change	34-38
Para. 22-23	Strategy and decision-making	— Addressing Climate Change	34-38
Para. 24-25	Financial position, financial performance and cash flows	— Addressing Climate Change	42-44, 52
		The Group has disclosed the quantitative financial impacts of climate risks for the Reporting Year and explained how such impacts are presented in the financial statements. Upon assessment, the aforementioned climate-related risks will not result in material adjustments to the carrying amounts of assets and liabilities in the next reporting year.	
		Regarding the anticipated financial effects of climate risks, given the inherent high uncertainty in quantitative assessments and constraints in current internal expertise and resources, the Group opts for Capability Relief to defer the disclosure of quantitative information and has currently provided qualitative information only. The Group is currently collaborating with third-party consultants on climate-related financial quantification modeling with a view to enhancing disclosures in the future.	
Para. 26	Climate resilience	— Addressing Climate Change	39-49
(III) Risk Management			
Para. 27	Risk management	— Addressing Climate Change	50

Aspects	Contents	Relevant Chapter(s) and/or Other Explanations	Page
(IV) Metrics and Targets			
Para. 28-29	Greenhouse gas emissions	— Addressing Climate Change — Appendix 3: KPI Overview — Appendix 6: GHG Accounting Scope and Methodology	51, 164, 185-188
Para. 30	Climate-related transition risks	Regarding the specific amounts and percentages of affected assets, the Group has applied the Reasonable Relief based on the principle of "without undue cost or effort" to defer disclosure, and is currently collaborating with third-party consultants to investigate relevant financial quantitative modeling	—
Para. 31	Climate-related physical risks	— Addressing Climate Change The Group has disclosed the percentage of projects susceptible to physical risks. Regarding the specific amounts of affected assets, the Group has applied the Reasonable Relief based on the principle of "without undue cost or effort" to defer disclosure, and is currently collaborating with third-party consultants to study relevant financial quantitative modeling.	41-42
Para. 32	Climate-related opportunities	— Addressing Climate Change The Group identifies the development of biomass integrated utilisation, solar energy, and wind power businesses as key climate opportunities driving the low-carbon transition. The revenue proportion of the aforementioned businesses has been disclosed in the Report. For specific amounts, please refer to the Group's 2025 Annual Report.	52
Para. 33	Capital deployment	During the Reporting Year, the Group issued carbon-neutral green asset-backed securities to secure climate-related financing. For details regarding the financing amount and the use of proceeds, please refer to the green finance section of the "Green Recycling" chapter in this Report.	104
Para. 34	Internal carbon prices	The Group has not yet formally implemented an internal carbon pricing mechanism. However, we plan to use solar energy projects as a pilot scheme to continuously assess the feasibility of establishing an internal carbon pricing system.	53
Para. 35	Remuneration	— Addressing Climate Change The Group has not yet linked climate-related metrics to remuneration. The Group's current performance appraisal has already integrated ESG metrics, and we currently evaluating the feasibility of integrating climate-related metrics into the management remuneration system.	53
Para. 36	Industry-based metrics	— Addressing Climate Change — Appendix 3: KPI Overview	52, 163
Para. 37-40	Climate-related targets	— Addressing Climate Change	50-52
Para. 41	Applicability of cross-industry metrics and industry-based metrics	In preparing the disclosures, the Group has referred to the Industry Disclosure Guidance on <i>IFRS S2 Sustainability Disclosure Standards</i> , and focused on assessing the applicability and relevance of industry-based metrics in the electricity utilities and power generators sector as well as the waste management sector.	—

APPENDIX 5: GRI CONTENT INDEX

1. GRI INDEX

1.1 Statement of Use

Statement of use	China Everbright Greentech Limited has reported the information cited in this GRI content index for the period January 1 to December 31, 2025 with reference to the GRI Standards.		
GRI 1 used	GRI 1 Foundation 2021		
GRI Standards	Disclosure Headline	Relevant Chapter(s) and/or Other Explanations	Page
GRI 2 General Disclosure 2021			
The Organization and its Reporting Practices			
2-1	Organizational details	About this Report	4
2-2	Entities included in the organisation's sustainability reporting	About this Report	4-7
2-3	Reporting period, frequency and contact point	About this Report	4-7
2-4	Restatements of information	Appendix 3: KPI Overview	163-170
2-5	External assurance	Independent Assurance Report The Board reviews the Report and the external independent Assurance Report before publication.	151-158
Activities and Workers			
2-6	Activities, value chain and other business relationships	For information on the number of suppliers and their geographical locations, please refer to KPI B5.1: Number of suppliers by region. More information about Everbright Greentech can be found on the Company's website: https://www.ebgreentech.com/en/global/home.php	169
2-7	Employees	Employee Development Appendix 3: KPI Overview	127-150, 168
2-8	Workers who are not employees	Not Applicable	–
Governance			
2-9	Governance structure and composition	Please refer to the Annual Report for relevant information.	–
2-10	Nomination and selection of the highest governance body	Promotion of Sustainable Development	10-31
2-11	Chair of the highest governance body	Please refer to the Annual Report for relevant information.	–
2-12	Role of the highest governance body in overseeing the management of impacts	Promotion of Sustainable Development	10-31
2-13	Delegation of responsibility for managing impacts	Please refer to the Annual Report for relevant information.	–
2-14	Role of the highest governance body in sustainability reporting	Promotion of Sustainable Development	10-31
2-15	Conflicts of interest	Promotion of Sustainable Development	10-31
2-16	Communication of critical concerns	Promotion of Sustainable Development	10-31
2-17	Collective knowledge of the highest governance body	Promotion of Sustainable Development	10-31
2-18	Evaluation of the performance of the highest governance body	Promotion of Sustainable Development	10-31
2-19	Remuneration policies	Employee Development Please refer to the Annual Report for relevant information.	127-150
2-20	Process to determine remuneration	Please refer to the Annual Report for relevant information.	–
2-21	Annual total compensation ratio	Please refer to the Annual Report for relevant information.	–

GRI Standards	Disclosure Headline	Relevant Chapter(s) and/or Other Explanations	Page
Strategies, Policies and Practices			
2-22	Statement on sustainable development strategy	Message from the Chairman Promotion of Sustainable Development	2-3, 10-31
2-23	Policy commitments	Promotion of Sustainable Development	10-31
2-24	Embedding policy commitments	Promotion of Sustainable Development	10-31
2-25	Processes to remediate negative impacts	Promotion of Sustainable Development Appendix 2: List of important ESG Policies To safeguard the orderly operation of business and promote healthy development of the enterprise as well as to enhance internal control, the Group revised its <i>Whistleblowing Policy</i> during the Reporting Year to assist internal or external stakeholders (including staff, investors and suppliers) to report actual or suspected illegal acts and improprieties. For further information, please refer to the Annual Report.	10-31
2-26	Mechanisms for seeking advice and raising concerns	Promotion of Sustainable Development Appendix 2: List of important ESG Policies To safeguard the orderly operation of business and promote healthy development of the enterprise as well as to enhance internal control, the Group revised its <i>Whistleblowing Policy</i> during the Reporting Year to assist internal or external stakeholders (including staff, investors and suppliers) to report actual or suspected illegal acts and improprieties. For further information, please refer to the Annual Report.	10-31, 161-162
2-27	Compliance with laws and regulations	The Company had no confirmed material violations of regulations during the Reporting Year.	16
2-28	Membership associations	Corporate memberships included: - China Resource Recycling Association Hazardous Waste Committee - China Industry Development Promotion Association Biomass Energy Industry Chapter ("Biomass Energy Industry Alliance") - China Environmental Protection Machinery Industry Association - National Energy Administration's Eastern China Regulatory Office Power Safety Production Committee - Jiangsu Energy Research Association - Jiangsu Urban Management and Administrative Law Society - Sichuan Electric Power Enterprise Association - Sichuan Municipal Affairs and Cityscape Association	—
Stakeholder Engagement			
2-29	Approach to stakeholder engagement	Promotion of Sustainable Development	10-31
2-30	Collective bargaining agreements	Not Applicable	—
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	Promotion of Sustainable Development	10-31
3-2	List of material topics	Promotion of Sustainable Development	10-31

GRI Standards	Disclosure Headline	Relevant Chapter(s) and/or Other Explanations	Page
Corporate Governance			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Green Recycling	72-104
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	Please refer to the Annual Report for relevant information.	–
201-2	Financial implications and other risks and opportunities due to climate change	Addressing Climate Change	32-53
201-3	Defined benefit plan obligations and other retirement plans	Employee Development Please refer to the Annual Report for relevant information.	127-150
201-4	Financial assistance received from government	Please refer to the Annual Report for relevant information.	–
Stable Supply			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Stable Supply	105-116
GRI 204: Procurement 2016			
204-1	Proportion of spending on local suppliers	All procurement expenditure for the Reporting Year was paid to local suppliers (namely, suppliers in China).	–
GRI 414: Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	The Company applied social criteria in the screening of new suppliers during the Reporting Year.	–
Anti-Corruption/Anti-Bribery			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Promotion of Sustainable Development	10-31
GRI 205: Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	Corruption-related risks have been taken into consideration to ensure on a best effort basis that corruption-related risk assessment is conducted in respect of the principal businesses.	–
205-2	Communication and training about anti-corruption policies and procedures	Promotion of Sustainable Development	10-31
205-3	Confirmed incidents of corruption and actions taken	Promotion of Sustainable Development The Company was not subject to any confirmed material violation of laws and regulations during the Reporting Year.	10-31

GRI Standards	Disclosure Headline	Relevant Chapter(s) and/or Other Explanations	Page
Circular Economy			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Green Recycling	72-104
GRI 301: Materials 2016			
301-1	Materials used by weight or volume	Appendix 3: KPI Overview	163-170
Energy Efficiency			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Green Recycling	72-104
GRI 302: Energy 2016			
302-1	Energy consumption within the organization	Appendix 3: KPI Overview	163-170
302-2	Energy consumption outside of the organization	Appendix 3: KPI Overview	163-170
302-3	Energy intensity	Appendix 3: KPI Overview	163-170
302-4	Reduction of energy consumption	Appendix 3: KPI Overview	163-170
Water Resource Management Waste			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Green Recycling	72-104
GRI 303: Water and Effluents 2018			
303-1	Interactions with water as a shared resource	Green Recycling Stable Supply The Group has not formulated any specific goals in relation to water resources at present, but have carried out ongoing supervision of water consumption performance and will consider the formulation of relevant goals in future.	72-104, 105-116
303-2	Management of water discharge-related impacts	Green Recycling	72-104
303-3	Water withdrawal	Appendix 3: KPI Overview	163-170
303-4	Water discharge	Appendix 3: KPI Overview	163-170
303-5	Water consumption	Appendix 3: KPI Overview	163-170

GRI Standards	Disclosure Headline	Relevant Chapter(s) and/or Other Explanations	Page
Biodiversity			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Green Recycling	72-104
GRI 304: Biodiversity 2016			
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Green Recycling	72-104
304-2	Significant impacts of activities, products and services on biodiversity	Green Recycling	72-104
304-3	Habitats protected or restored	Green Recycling	72-104
Air Pollution Management and Climate Change Mitigation			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Green Recycling	72-104
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	Appendix 3: KPI Overview	163-170
305-2	Energy indirect (Scope 2) GHG emissions	Appendix 3: KPI Overview	163-170
305-3	Other indirect (Scope 3) GHG emissions	Appendix 3: KPI Overview	163-170
305-4	GHG emission intensity	Appendix 3: KPI Overview	163-170
305-5	Reduction of GHG emissions	Appendix 3: KPI Overview	163-170
305-6	Emissions of ozone-depleting substances (ODS)	The Company was not involved in any production, destruction and use of ODS during the Reporting Year and hence did not produce related emissions.	—
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Appendix 3: KPI Overview	163-170
Water Resource Management			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Green Recycling	72-104

GRI Standards	Disclosure Headline	Relevant Chapter(s) and/or Other Explanations	Page
GRI 303: Water and Effluents 2018			
303-1	Interactions with water as a shared resource	Green Recycling Stable Supply The Group has not formulated any specific goals in relation to water resources at present, but have carried out ongoing supervision of water consumption performance and will consider the formulation of relevant goals in future.	72-104, 105-116
303-2	Management of water discharge-related impacts	Green Recycling	72-104
303-3	Water withdrawal	Appendix 3: KPI Overview	163-170
303-4	Water discharge	Appendix 3: KPI Overview	163-170
303-5	Water consumption	Appendix 3: KPI Overview	163-170
GRI 306: Waste 2020			
306-1	Waste generation and significant waste – related impacts	Green Recycling	72-104
306-2	Management of significant waste-related impacts	Green Recycling	72-104
306-3	Waste generated	Appendix 3: KPI Overview	163-170
306-4	Waste diverted from disposal	Appendix 3: KPI Overview	163-170
306-5	Waste directed to disposal	Appendix 3: KPI Overview	163-170
Supplier Environmental Assessment			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Stable Supply	105-116
GRI 308: Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	The Company applied environmental criteria in the screening of new suppliers during the Reporting Year.	–
Employee Welfare and Training			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Employee Development	127-150
GRI 401: Employment 2016			
401-1	New employee hires and turnover	Appendix 3: KPI Overview	163-170
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Development	127-150
401-3	Parental leave	Employee Development	127-150

GRI Standards	Disclosure Headline	Relevant Chapter(s) and/or Other Explanations	Page
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	Appendix 3: KPI Overview	163-170
404-2	Programs for updating employee skills and transition assistance programs	Employee Development	127-150
404-3	Percentage of employees receiving regular performance and career development reviews	All employees of the Company received regular performance and career development reviews during the Reporting Year.	–
Occupational Health and Safety			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Safe Production	54-71
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	Safe Production	54-71
403-2	Hazard identification, risk assessment, and incident investigation	Safe Production	54-71
403-3	Occupational health services	Safe Production	54-71
403-4	Worker participation, consultation, and communication on occupational health and safety	Safe Production	54-71
403-5	Worker training on occupational health and safety	Safe Production	54-71
403-6	Promotion of worker health	Safe Production	54-71
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safe Production	54-71
403-8	Workers covered by an occupational health and safety management system	Safe Production	54-71
403-9	Work-related injuries	Appendix 3: KPI Overview	163-170
403-10	Work-related ill health	Appendix 3: KPI Overview	163-170
Diversity and Equal Opportunity			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Employee Development	127-150
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	Employee Development Appendix 3: KPI Overview	127-150, 163-170

GRI Standards	Disclosure Headline	Relevant Chapter(s) and/or Other Explanations	Page
Non-discrimination			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Employee Development	127-150
GRI 406: Non-Discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	Employee Development	–
Freedom of Association and Collective Bargaining			
GRI 407: Freedom of Association and Collective Bargaining 2016			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	There was no infringement upon the freedom of association and right to collective bargaining at the Company or its suppliers during the Reporting Year, and there were no related risks.	
Forced or Compulsory Labor			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Employee Development	127-150
GRI 409: Forced or Compulsory Labor 2016			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Employee Development There was no incidents of forced or compulsory labour at the Company or its suppliers during the Reporting Year, and there were no related risks.	127-150
Rights of Indigenous Peoples			
GRI 411: Rights of Indigenous Peoples 2016			
411-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	The Company was not involved in confirmed material incidents of violations involving rights of indigenous peoples during the Reporting Year.	–
Rural Revitalisation and Community Participation			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Employee Development	127-150

GRI Standards	Disclosure Headline	Relevant Chapter(s) and/or Other Explanations	Page
GRI 413: Local Communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	Green Recycling Employee Development	72-104, 127-150
413-2	Operations with local community engagement, impact assessments, and development programs	Green Recycling	72-104
Customer Health and Safety			
GRI 416: Customer Health and Safety 2016			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	We were not involved in any violation of health and safety laws relating to products and services during the Reporting Year.	–
Marketing and Labeling			
GRI 417: Marketing and Labeling 2016			
417-2	Incidents of non-compliance concerning product and service information and labeling	During the Reporting Year, we did not have any violations of regulations or voluntary codes on product and service information or labelling, and we were not fined, penalised or warned.	–
417-3	Incidents of non-compliance concerning marketing communications	During the Reporting Year, we did not have any incidents of violation of regulations or voluntary codes of marketing communications, and we were not fined, penalised or warned.	–
Customer Privacy			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Stable Supply	105-116
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Stable Supply During the Reporting Year, we did not violate any regulations or voluntary codes that violated customer privacy or losses customer data, and we were not fined, penalised or warned.	105-116

APPENDIX 6: GHG Accounting Scope and Methodology

Accounting Standards and Principles

The Group adopts the operational control approach to define organisational boundaries, including projects over which the Group exercises operational control within the scope of GHG accounting. The GHG accounting framework in this report has been prepared in accordance with the following international standards and technical guidelines to ensure data compliance and comparability:

- 2006 IPCC Guidelines for National Greenhouse Gas Inventories and its 2019 Refinement (IPCC Guidelines)
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard
- The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard
- ISO 14064-1:2018 Specification with guidance at the organisation level for quantification and reporting of greenhouse gas emissions and removals
- CDM methodologies, including ACM0018: Electricity generation from biomass residues in power-only plants, ACM0006: Electricity and heat generation from biomass residues, and ACM0022: Alternative waste treatment processes
- Guidelines for Accounting and Reporting Greenhouse Gas Emissions for Other Industrial Enterprises (Trial)
- Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong
- Global Warming Potential (GWP) values use the 100-year time horizon data set by the IPCC Sixth Assessment Report (AR6)

Notes on Biogenic GHG Emissions

As the Group's business involves the processing of significant volumes of biomass, we recognise the importance of distinguishing between "fossil carbon" and "biogenic carbon". In accordance with The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard and ISO 14064 guidelines, CO₂ emissions released from the biomass combustion during waste treatment are considered part of the natural carbon cycle. As such, these emissions shall not be included in the Scope 1 emissions but shall be reported separately as supplementary information. However, CH₄ generated from biomass combustion, as well as CO₂, CH₄, and N₂O generated from the incineration of fossil-based sources (e.g., plastics and rubber) during waste treatment, are fully included in the Scope 1 emission.

The biogenic GHG emissions separately reported by the Group comprise biogenic CO₂ generated from the combustion of biomass, as well as the biogenic fraction within household waste, general industrial solid waste, and hazardous waste during incineration.

Notes on GHG Emission Reductions

In addition to accounting for operational emissions, the Group follows CDM methodologies to calculate GHG emission reductions, quantifying the environmental benefits of our business against baseline scenarios. The reduction is calculated as: Emission Reductions = Baseline Emissions - Actual Emissions within the Project Boundary.

Baseline emissions are primarily derived from three sources: (1) displacing traditional fossil fuels through power and heat generation from biomass and waste incineration, as well as solar energy and wind power projects; (2) replacing traditional landfill disposal with waste incineration, thereby avoiding CH₄ generation during the landfill process; and (3) avoiding GHG releases from the natural degradation or open burning of biomass waste through biomass incineration treatment. To avoid double-counting, emission reduction benefits associated with electricity generation where environmental attributes have been sold via GECs are excluded from this indicator.

Actual emissions within the project boundary comprise Scope 1, Scope 2, and specific Scope 3 emissions directly related to production processes (e.g., transportation of biomass, waste, and by-products). This boundary differs from the organisational-level GHG inventory presented in this report, which follows the GHG Protocol. Newly disclosed non-production-related Scope 3 emissions (e.g., business travel, capital goods, services procurement) are not included as deductions in the calculation, as they fall outside the project boundaries defined by the methodologies.

The GHG emission reductions disclosed in the Report herein aim to demonstrate the Group's positive contribution to climate change mitigation, and they do not constitute an offset against the Group's total Scope 1, 2, and 3 emissions.

Description of Scope and Calculation Methodology

Source Category	Description of Emission Sources	Calculation Method and Emission Factors (EF)
Scope 1 – Direct GHG Emissions		
Fossil fuel combustion from stationary and mobile sources	CO ₂ , CH ₄ , and N ₂ O emissions generated from the combustion of fossil fuels such as diesel, gasoline, liquefied petroleum gas (LPG), natural gas, and fuel oil used by fixed equipment (e.g., boilers, generators) and operational vehicles across various projects.	- Activity-based method - EF source: IPCC Guidelines
Waste incineration	CO ₂ , CH ₄ , and N ₂ O emissions generated from the incineration of household waste, general industrial solid waste, and hazardous solid waste received ¹ .	- Activity-based method - EF sources: IPCC Guidelines, CDM methodologies, Technical specifications for municipal solid waste incineration treatment in China
Biomass incineration	CH ₄ emissions generated during biomass incineration processes.	- Activity-based method - EF sources: IPCC Guidelines, CDM methodologies
Biogas combustion from leachate anaerobic treatment	CH ₄ emissions resulting from the incomplete combustion of biogas produced during the anaerobic treatment of leachate.	- Activity data method - EF sources: IPCC Guidelines, CDM methodologies
Scope 2 – Energy Indirect GHG Emissions		
Purchased electricity	Consumption of electricity purchased from external power suppliers.	- Activity-based method - As the Group did not hold any Energy Attribute Certificates (e.g., Green Energy Certificates) during the Reporting Year, the same emission factors were applied for both the market-based and location-based Scope 2 calculations - EF sources: Hongkong Electric 2024 grid emission factor, China average grid emission factor (2023), China baseline emission factors for regional power grids for emission reduction projects (2024)
Purchased steam (heat)	Consumption of steam or thermal energy purchased from external suppliers.	- Activity-based method - EF source: Guidelines for Accounting and Reporting Greenhouse Gas Emissions for Other Industrial Enterprises

¹ The Group has fully adopted site-specific measured data on moisture content and waste composition to ensure that GHG emission calculations accurately reflect actual operations. However, in recent years, household solid waste in China has shown a continuous trend of decreasing moisture content and increasing rubber and plastic content. This has directly led to a significant rise in the fossil carbon fraction per tonne of waste, resulting in notable growth or fluctuations in the Group's Scope 1 emissions. It is important to note that these structural changes in waste composition are external factors beyond the Group's control.

Source Category	Description of Emission Sources	Calculation Method and Emission Factors (EF)
Scope 3 – Other Indirect GHG Emissions		
Category 1: Purchased Goods and Services	Raw materials, consumables, spare parts, maintenance services, inspection and testing services, and other related goods and services purchased during operations.	- Spend-based method - EF source: U.S. Environmentally-Extended Input-Output (USEEIO) model emission factors
Category 2: Capital Goods	Construction materials required for new projects, as well as fixed asset investments such as boilers, large-scale production equipment, lifting equipment, and operational vehicles.	- Spend-based method and activity-based method - EF sources: U.S. Environmentally-Extended Input-Output (USEEIO) model emission factors, China Product Life Cycle Greenhouse Gas Emission Factors (2022)
Category 3: Fuel- and energy-related activities	Upstream supply chain emissions associated with the extraction, refining, and transportation of fuels purchased, as well as emissions related to transmission and distribution losses of purchased electricity.	- Activity-based method - EF sources: IPCC Guidelines, IEA Emission Factors Database
Category 4: Upstream transportation and distribution	Third-party transportation emissions from delivering biomass, household waste, general industrial solid waste and hazardous solid waste to project sites.	- Activity-based/Distance-based method - EF source: IPCC Guidelines
Category 5: Waste generated in operations	Emissions generated from both transportation and downstream treatment (e.g., landfill, incineration, or recycling) of general waste produced during operations (e.g., household waste, waste paper, plastics, and metals). With respect to process waste (e.g., fly ash, slag, and sludge), the Group has only calculated emissions from the outbound transportation. As downstream disposal service providers are currently unable to provide accurate emission data, and no suitable localised emission factors are available, the final disposal emissions of process waste are currently excluded from Category 5, considering the data availability limitations.	- Activity-based method - EF sources: U.S. EPA Emission Factors Hub, IPCC Guidelines
Category 6: Business travel	Air travel activities undertaken by employees for business purposes.	- Activity-based/Distance-based method - EF source: ICAO Carbon Emissions Calculator
Category 7: Employee commuting	Employee commuting to and from the workplace via private vehicles, company shuttle buses, public transportation, and other modes of transport.	- Activity-based/Distance-based method - EF source: China Product Life Cycle Greenhouse Gas Emission Factors (2022)

Excluded Scope 3 Categories and Explanation for Non-Applicability

The following categories are excluded from Scope 3 calculations for the Reporting Year due to business nature, data availability limitations, and materiality considerations. The Group will continue to evaluate data availability and methodologies for relevant categories and progressively refine the Scope 3 accounting boundary and disclosure.

Category	Explanation of Non-Applicability/Exclusion
Category 8: Upstream Leased Assets	The Group does not operate any upstream leased assets; therefore, this category is not applicable.
Category 9: Downstream Transportation and Distribution	The Group's primary products are electricity and heat energy. These are final products (directly transmitted to the grid or supplied for customer use) and do not involve subsequent transportation, processing, use, or end-of-life treatment.
Category 10: Processing of Sold Products	
Category 11: Use of Sold Products	
Category 12: End-of-Life Treatment of Sold Products	Regarding recycled products from the hazardous and solid waste treatment business, which accounts for an extremely low proportion of revenue and production volume, data on downstream activities is complex and difficult to obtain. As the associated emissions have been assessed as insignificant to the Group and do not meet the cost-benefit principle, they have not been included in the Scope 3 calculations for the Reporting Year.
Category 13: Downstream Leased Assets	The Group does not have downstream leased assets; therefore, this category is not applicable.
Category 14: Franchises	For certain franchised and investment projects that are not under the Group's operational control, the Group holds only financial interests and therefore does not have direct access to data relating to their energy consumption or greenhouse gas emissions. In addition, the Group has limited influence over the implementation of emission reduction measures within these operations. Based on current data availability and cost-benefit considerations, this category is not included in Scope 3 for the Reporting Year.
Category 15: Investments	



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