



越秀交通基建有限公司
YUEXIU TRANSPORT INFRASTRUCTURE LIMITED

(Stock Code: 01052)

2023

ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT



**CREATING
EXCELLENT VALUES**





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CONTENTS

ABOUT THIS REPORT	2
ABOUT YUEXIU TRANSPORT	5
CORPORATE PROFILE	5
BUSINESS DEVELOPMENT	6
CORPORATE CULTURE	7
OVERVIEW OF SUSTAINABLE DEVELOPMENT IN 2023	8
KEY PERFORMANCE INDICATORS OF SUSTAINABLE DEVELOPMENT	8
CORPORATE HONORS	9
CHAIRMAN'S MESSAGE	12
STATEMENT OF THE BOARD	15
RESPONSIBILITY-ORIENTED • STRENGTHEN LEAN OPERATION	16
CORPORATE GOVERNANCE	18
ANTI-CORRUPTION	19
COMPLIANCE MANAGEMENT AND RISK CONTROL	25
SUSTAINABLE DEVELOPMENT GOVERNANCE	28
LOW-CARBON ORIENTED • PROMOTING GREEN DEVELOPMENT	36
GREEN PROJECT IMPLEMENTATION	38
GREEN OPERATION PRACTICING	42
GREEN ECOLOGY PROTECTION	57
EXPLORING GREEN FINANCE	65
QUALITY-ORIENTED • LEADING INTELLIGENT AND SMOOTH TRANSPORT	66
IMPLEMENT SAFETY MANAGEMENT	68
ENSURING SMOOTH TRAFFIC FLOW	84
CREATING QUALITY SERVICE	88
PEOPLE-ORIENTED • EMPOWERING EMPLOYEE DEVELOPMENT	98
DIVERSIFIED TALENT TEAM	100
COMPREHENSIVE PROTECTION OF RIGHTS AND INTERESTS	100
SUPPORTING TALENT DEVELOPMENT	105
MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER	110
BUILDING A RESPONSIBLE SUPPLY CHAIN	112
PROMOTING DEVELOPMENT OF THE INDUSTRY	115
JOINTLY BUILDING HARMONIOUS COMMUNITIES	117
CLIMATE-RELATED DISCLOSURES	124
GOVERNANCE	125
STRATEGY	128
RISK MANAGEMENT	130
METRICS AND TARGETS	142
OUTLOOK	143
APPENDIX	144
LIST OF MAIN APPLICABLE LAWS, REGULATIONS, STANDARDS AND INTERNAL POLICIES	144
CONTENT INDEX FOR ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE	149
PERFORMANCE INDICATORS	155
GLOSSARY OF TERMS	161
FEEDBACK	166

ABOUT THIS REPORT

OVERVIEW

This is the eighth Environmental, Social and Governance (ESG) Report issued by Yuexiu Transport. We disclose the information related to the Company’s economic, social and environmental performance on an objective and transparent basis. We hope that this Report can help you better understand our efforts on sustainable development, in order to enhance communication and trust, and move towards sustainable development together.

TITLE DESCRIPTION

To facilitate presentation and reading, the company abbreviations in this Report are as follows:

“Yuexiu Group”	represents	Guangzhou Yue Xiu Holdings Limited
“The Company” and “Company”	represents	Yuexiu Transport Infrastructure Limited
“The Group”, “We” and “Yuexiu Transport”	represents	Yuexiu Transport Infrastructure Limited and its subsidiaries
“Yuexiu (Hubei) Company”	represents	Yuexiu (Hubei) Expressway Company Limited
“GNSR Company”	represents	Guangzhou North Second Ring Transport Technology Company Limited
“Jinfu Company”	represents	Tianjin Jinfu Expressway Company Limited
“Cangyu Company”	represents	Guangxi Yuexiu Cangyu Expressway Company Limited
“Changzhu Company”	represents	Hunan Changzhu Expressway Development Company Limited
“Weixu Company”	represents	Henan Yuexiu Weixu Expressway Company Limited
“Lanwei Company”	represents	Henan Yuexiu Lanwei Expressway Company Limited
“Suiyuenan Company”	represents	Hubei Suiyuenan Expressway Company Limited

BASIS OF PREPARATION

Institution	Guide, standards or recommendations
The Stock Exchange of Hong Kong Ltd. (“HKEX”)	Environmental, Social and Governance Reporting Guide, Appendix C2 to the Listing Rules (formerly known as Appendix 27)
Task Force on Climate-Related Financial Disclosures (“TCFD”)	Governance, Strategies, Risk Management, Metrics and Targets

ABOUT THIS REPORT

PREPARATION PROCESS

The content of this Report is determined based on a set of systematic procedures. The process of compiling the Report includes identifying key stakeholders, conducting stakeholder surveys, identifying and ranking important ESG issues, determining the boundaries of the Report, collecting relevant materials and data, organizing and reviewing the data, and compiling the report content, etc.

REPORTING PRINCIPLES

The preparation of this Report complies with the four reporting principles of the ESG reporting guide of the HKEX.

Principles	Response
Materiality	The Company engages a third party professional institution to identify the current material ESG issues based on the business characteristics of the Group, the analysis of the industry and surveys on the stakeholders, and submits the results to the Board of Directors of the Company (the “Board”) for approval to ultimately determine the ESG issues that are significant to the Group as the basis for the preparation of the ESG Report and respond to the issues through the Report.
Quantization	Quantitative ESG objectives of the Report have been disclosed under the coordination of the ESG Committee. Where applicable, this Report shall disclose the comparative data of prior year to enable the stakeholders to understand the ESG management progress of the Group.
Balance	This Report presents the ESG performance of the Group in an unbiased manner. In addition to the disclosure of the work results, it also discusses the room and plans for improvement on relevant issues.
Consistency	Under reasonable and feasible circumstances, the quantitative information in this Report is calculated and disclosed in a manner consistent with the past so that the stakeholders could analyse and assess the performance of the Group in different periods. If there are changes in the scope of data collected, data updates or changes in calculation methods (if any), explanations shall be provided accordingly for the information of the users of the Report.

SCOPE AND BOUNDARY

This is an annual report for the period from January 1, 2023 to December 31, 2023, with certain contents extended where appropriate.

The ESG-related policies, statements, management measures and the performance of quantitative data in this Report cover the Company’s headquarters and subsidiaries. The definitions used are the same as those in the Company’s “2023 Annual Report” unless otherwise specified. It is recommended to read together with the Company’s “2023 Annual Report”.

ABOUT THIS REPORT

DATA SOURCE AND RELIABILITY STATEMENT

The information and cases disclosed herein come from the Group's official documents, statistical reports or public information. We are committed to the truthfulness, accuracy and completeness of this Report. Unless otherwise specified, the currency mentioned in this Report are all in RMB.

OBTAINING AND RESPONDING TO THIS REPORT

This Report is prepared in both Chinese and English. If there is any difference between the two versions, the Chinese version shall prevail. The electronic version of this Report is available on HKEX news: <https://www.hkexnews.hk> and can be downloaded from the official website of Yuexiu Transport Infrastructure Limited: www.yuexiutransportinfrastructure.com.

If you have any questions or suggestions related to this Report, please call or email us using the contact information provided below:

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Fax: (852) 2865 2126
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ABOUT YUEXIU TRANSPORT

CORPORATE PROFILE

Yuexiu Transport Infrastructure Limited (the “Company”) and its subsidiaries are principally engaged in the investment, construction and development, operation and management of toll expressways, bridges and ports in Guangdong Province and other high growth provinces in the People’s Republic of China (the “PRC”). The Group’s substantial shareholder, Guangzhou Yue Xiu Holdings Limited, is a state-owned enterprise under the supervision of the State-owned Assets Supervision and Administration Commission (“SASAC”) of the Guangzhou Municipal People’s Government.

GUANGZHOU YUE XIU HOLDINGS LIMITED

100%

YUE XIU ENTERPRISES (HOLDINGS) LIMITED

44.20%

PUBLIC

55.80%

YUEXIU TRANSPORT INFRASTRUCTURE LIMITED

EXPRESSWAY / BRIDGE / PORT

The shareholding structure as at December 31, 2023

ABOUT YUEXIU TRANSPORT

BUSINESS DEVELOPMENT

As at the end of 2023, the Company's total assets amounted to RMB36.502 billion, with annual revenue amounting to RMB3.967 billion, employing 2,134 employees. The Company invested in 17 projects including expressways, bridges and ports in 6 provinces, municipalities and autonomous regions nationwide. The total toll mileage of expressways held by the Company is approximately 556.2 km, and the attributable equity toll mileage is approximately 477.7 km.

YUEXIU TRANSPORT INFRASTRUCTURE LIMITED

EXPRESSWAY / BRIDGE / PORT

- GNSR Expressway
 - Cangyu Expressway
 - Jinxiong Expressway
 - Changzhu Expressway
 - Weixu Expressway
 - Lanwei Expressway
 - Suiyuenan Expressway
 - Hancai Expressway
 - Han'e Expressway
 - Daguangnan Expressway
 - Han-Xiao Expressway
 - Northern Ring Road
 - Humen Bridge
 - Shantou Bay Bridge
 - GWSR Expressway
 - Qinglian Expressway
 - Pazhou Port
- Subsidiaries
● Associates and joint ventures



ABOUT YUEXIU TRANSPORT

CORPORATE CULTURE

Yuexiu Transport advocates the corporate culture of “Faith, Credit, Trust and Confidence” to lead the sustainable development of the Group, which facilitates the full integration of the concept of sustainable development into the strategic planning, corporate governance, and business operation etc. of the Group to improve the sustainable development management continuously.

- Faith means striver orientation, customer focus and always striving to excel
- Credit means integrity, respect for the market and specialty
- Trust means excellent performance, synergy and efficiency, honesty and self-discipline
- Confidence means breakthrough power, responsibility and dedication



FTCC Model of Core Value

OVERVIEW OF SUSTAINABLE DEVELOPMENT IN 2023

KEY PERFORMANCE INDICATORS OF SUSTAINABLE DEVELOPMENT

Sustainable development responsibilities	Management Practice in 2023
Economic responsibilities	<ul style="list-style-type: none"> Total assets: RMB36.502 billion Revenue: RMB3.967 billion Gross margin: 54.1% Profit after income tax: RMB1.122 billion Profit attributable to shareholders of the Company: RMB765 million Basic earnings per share: RMB0.4574
Road responsibilities	<ul style="list-style-type: none"> Number of expressway, bridge and port projects: 17 Traffic accident rate less than 0.01% Investment in safety production: RMB31.846 million A total of 824 safety inspections were carried out, and 1,321 hidden hazards were identified and addressed, with a addressing rate of 98%
Environmental responsibilities	<ul style="list-style-type: none"> Greenhouse gas emission density: 32.06 tCO₂e/km Energy consumption intensity: 59.58 MWh/km Water use density: 634.65 m³/km
Employee responsibilities	<ul style="list-style-type: none"> Amount of total employees: 2,134 Percentage of female employees: 44% Coverage rate of employee trained: 100% Safety training including employees of related parties: 11,196 person times
Social responsibilities	<ul style="list-style-type: none"> In 2023, employees of Yuexiu Transport participated in about 1,994 hours of volunteer service

OVERVIEW OF SUSTAINABLE DEVELOPMENT IN 2023

CORPORATE HONORS

Awards	Granted by	Picture
Environmental, Social & Corporate Governance Award 2023 – Excellence in Transport Infrastructure Award	Ming Pao	
Greater Bay Area Outstanding Enterprise Brand Awards 2023	Southern Finance Omnimedia Corp. – Stock Market News Broadcasting and Investment Bulletin	



OVERVIEW OF SUSTAINABLE DEVELOPMENT IN 2023

Awards	Granted by	Picture
<p>The Listed Enterprise Excellent Awards 2023</p>	<p>Bloomberg Business Weekly</p>	
<p>The project of “Intelligent Energy Management Technology for Road (including Tunnel) Front Lighting” has passed the evaluation of scientific and technological achievements of China Highway & Transportation Society and reached the international leading level</p>	<p>China Highway & Transportation Society</p>	
<p>“Research and Development and Application of Traffic Safety Risk Management and Control Technology for Highway Construction Based on Parallel Simulation” won the first prize of Guangdong Provincial Association of Work Safety for Emergency and Safety Science and Technology Progress</p>	<p>Guangdong Provincial Association of Work Safety</p>	

OVERVIEW OF SUSTAINABLE DEVELOPMENT IN 2023

Awards	Granted by	Picture
<p>The project of “Research and Application of Life-cycle Safety Monitoring System for High Slope of GNSR Expressway” won the second prize of China Instrument and Control Society in 2023 for Scientific and Technological Progress.</p>	<p>China Instrument and Control Society</p>	
<p>State-owned Listed Companies ESG • Vanguard 100 Index</p>	<p>Research Group of Blue Book on Social Responsibility of State-owned Enterprises (2023)</p>	
<p>ESG Development Index of State-owned Enterprises in Greater Bay Area</p>	<p>Research Group of Blue Book on ESG of State-owned Enterprises Holding Listed Companies in Guangdong-Hong Kong-Macao Greater Bay Area (2023)</p>	

CHAIRMAN'S MESSAGE



LI FENG
CHAIRMAN

In 2023, Yuexiu Transport withstood external pressure, overcame internal difficulties, and continued to make steady progress around the “3331” development strategy, breaking through the waves and moving forward steadily. We insist on keeping pace with the times, conform to the trend of high-quality economic development, take the initiative, work hard, expand the scale, refine the management, improve the quality and efficiency, and push the sustainable development of Yuexiu Transport to a new stage of development.

Strengthening Climate Risk Response and Practicing the Way of Green Sustainability

We continue to focus on the risks brought by climate change to the Company’s operation and development, integrate climate change response into the ESG work structure in 2023, and explore and study climate change risk response programs. In the course of our operation, we made steady progress, strengthened the construction of a green transportation system through technological innovation, and made every effort to promote green maintenance and green ecology. In 2023, the reconstruction and expansion project of GNSR Expressway, a key provincial and municipal project, commenced the construction of the preliminary portion, laying a solid foundation for sustainable and healthy development. We actively participate in national and local environmental protection projects, take measures to reduce greenhouse gas emissions, promote energy conservation and consumption reduction and the use of renewable energy, promote green and low-carbon transformation, and support sustainable development. We continue to strengthen the training of environmental protection awareness, improve the environmental awareness of employees, and form a good atmosphere for full participation.

CHAIRMAN'S MESSAGE

Technology Empowers Business Improvement and Adhering to Lean Management

We adhere to standardized operation, improve the internal control system, strengthen risk management and compliance management, and carry out in-depth corporate culture construction of "The Way of Faith". Management teams at all levels unite and lead the majority of cadres and employees to get involved, overcome difficulties and practice the FTCC core values with practical actions, demonstrating our responsibility and enterprising spirit. We take the integration of the Party and our business as the goal of Party building, the theme education is effective, and the investigation and research has become an important magic weapon to solve the management problems.

We continue to guard road safety, focus on small areas, start with details, refine operation, improve quality and efficiency, and continue to reform and innovate. The construction for the reconstruction and expansion of the GNSR Expressway is expected to commence in full swing in June 2024 after obtaining land use and construction approvals. The Pazhou Port has been completed and put into operation, filling the gap in the water routes to and from Hong Kong and Macao in the central city of Guangzhou. We promote digital & intelligent transportation in an all-round way, accelerate the construction of unmanned intelligent toll stations, and GNSR Company has become the only enterprise in the industry to be simultaneously certified as a "High-tech Enterprise", an "Innovative Enterprise" and a "Specialised and Sophisticated Enterprise with Unique and Innovative Technologies".

CHAIRMAN'S MESSAGE

Unite Employees to Give Back to the Society and Creating a Path of Harmonious Responsibility

We continue to pay attention to employee welfare and social responsibility, assist with employee development, improve employee treatment, provide a good working environment and training opportunities, so that employees can realize their own value in Yuexiu Transport, and carry forward Yuexiu Transport's enterprising posture, ambition and creativity of "constantly surpassing and becoming more excellent". At the same time, we actively participate in public welfare undertakings, give back to the society through donations and voluntary services, establish a good communication mechanism with all sectors of society, listen to the voices of all parties, constantly improve our social responsibility performance, and contribute to the development of society.

The magnificent picture of 2023 records our efforts, struggles and witnesses our growth and progress. 2024 is the 75th anniversary of the founding of the People's Republic of China and a key year for the full completion of the objectives and tasks set under the 14th Five-Year Plan. Today, we are at a critical moment as we are facing more challenges when we ascend on our path towards the further development of the Company. Faced with the complexity, severity and uncertainty of the external environment, we will continue to be people-oriented, customer-centered, market-oriented, innovation-driven, quality-focused, integrity-based and technology-led, with green development as the direction and social responsibility as our own responsibility. We carry out in-depth lean management, lay a solid foundation for our safe and sound development and at the same time, seek opportunities in danger, seek progress in stability, promote stability with progress, strive to move forward, and create a new situation of high-quality development.

Li Feng

Chairman

Hong Kong, 5 March 2024

STATEMENT OF THE BOARD

The Board of Directors of the Group attaches great importance to sustainable development management and actively integrates ESG concepts into operational management practices. According to the requirements of ESG Reporting Guide, Yuexiu Transport has established an effective ESG management system and mechanism, continuously improving the sustainable development governance structure of the Group, and strengthening the supervision and participation in ESG affairs of the Board.

ESG Governance Policy and Strategy

As the top decision-maker for the ESG governance of the Group, the Board is responsible for supervising the Group's ESG development direction and strategy including climate-related issues, and assumes overall responsibility for the Group's ESG work; regularly discusses and reviews the implementation of relevant ESG work and future development opportunities. The Environmental, Social and Governance Committee is authorized by the Board to be responsible for the ESG strategic development and decision-making management of the Group, and to report to the Board on ESG-related performance on a regular basis.

ESG Risk Management

The Group attaches great importance to the significant impact of ESG-related risks including climate-related risks on its operation. To this end, the Group updates its ESG issue database every year based on the ESG risks of the industry, regulatory requirements and macro policies, and performs a materiality assessment of ESG issues by means of stakeholders surveys, questionnaire surveys, expert assessments, and discussions with the Board of Directors. The Board prioritizes ESG issues based on materiality, and then guides the Group's annual ESG management accordingly. The Board of Directors has participated in the materiality assessment of the Group's ESG issues in 2023, and has reviewed and confirmed the results of this year's material issues analysis. The Group incorporates ESG-related risks, including those related to climate change, into its overall risk management system. In 2023, the Group further deepened the identification and assessment of climate change-related risks and opportunities, and formulated targeted response measures, with reference to the recommended framework of the Task Force on Climate-Related Financial Disclosures (TCFD). The Board regularly reviews key ESG risks and oversees the effective implementation of response strategies.

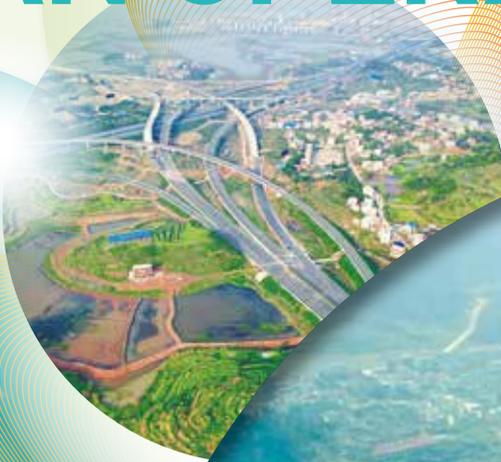
ESG Objective Management

The Group has set the relevant targets for greenhouse gas emissions, waste disposal, energy consumption and water consumption in accordance with the requirements of the ESG Reporting Guide. During the reporting period, the Board reviewed and examined the ESG objectives of the Group and their progress.

From January 1, 2023 to the date of this Report, the Board held two meetings to review and examine the following ESG management matters of the Group: (i) ESG objectives and progress of the Group; (ii) ESG risks, opportunities and significant issues; (iii) matters related to climate change; and (iv) matters related to health and safety.

This Report disclosed in detail the ESG management practices of the Group during the reporting period, which was reviewed and approved by the Board on March 5, 2024.

RESPONSIBILITY-ORIENTED • STRENGTHEN LEAN OPERATION



RESPONSIBILITY-ORIENTED • STRENGTHEN LEAN OPERATION

Yuexiu Transport always takes responsibility management as the foundation, follows the requirements of local laws and regulations and regulatory bodies, constantly improves the level of corporate governance and operational capacity, and continuously improves the ESG management system. Yuexiu Transport takes compliance development as the core, adopts a zero-tolerance attitude towards any anti-business ethics behavior, establishes communication bridges with stakeholders through transparent and diversified channels, actively listens to the voices of all stakeholders, and incorporates them into the operation decision-making process, so as to work hand in hand with stakeholders on the road to the lean operation of sustainable development.

SDGs Topics



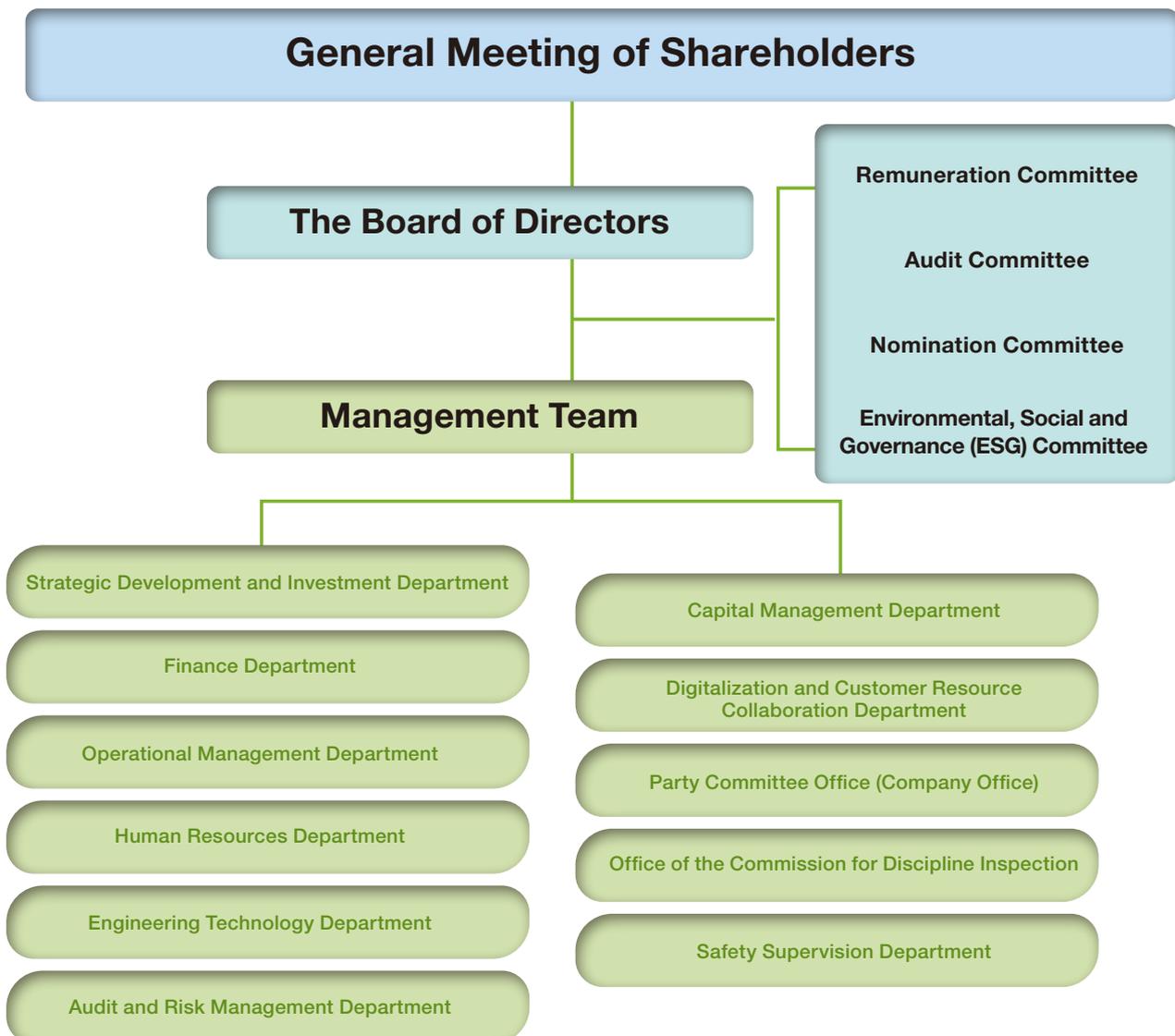
Overview of Related ESG Issues and Management Practices in 2023

Related ESG issues	Business ethics
Strategy	Strengthen and deepen clean management, improve the management level of lawful compliant operations, actively carry out regular anti-corruption propaganda and training for all staff, organize actions to investigate integrity risks, and resolutely prevent corruption.
Action	<ul style="list-style-type: none"> • Comply with and improve the Group's systems to prevent corruption • Carry out anti-corruption training and warning education on a regular basis • Carry out daily integrity risk investigation
Outcome	<ul style="list-style-type: none"> • Carry out warning education and integrity risk investigation activities • Write integrity summary reports on a regular basis • Develop and improve integrity risk prevention and control mechanism
Improvement	We promote the construction of anti-corruption mechanism of Yuexiu Transport, improve the anti-corruption system, and enhance the ability to prevent corruption.

RESPONSIBILITY-ORIENTED • STRENGTHEN LEAN OPERATION

CORPORATE GOVERNANCE

Yuexiu Transport takes the long-term and stable corporate governance structure as the cornerstone of sustainable development and has set up a corporate governance structure consisting of the General Meeting of Shareholders, the Board of Directors, committees under the Board of Directors, a management team, and functional departments. We formulated progressive governance standards based on Bye-Laws to specify their duties, authorities, and code of conduct, and continuously review and improve the above governance structure and governance standards in the actual operation process to make corporate operation more transparent, independent and efficient.



Corporate Governance Structure

RESPONSIBILITY-ORIENTED • STRENGTHEN LEAN OPERATION

ANTI-CORRUPTION

Yuexiu Transport continued to implement the normalization of anti-corruption work, formulate and follow the integrity system, establish a sound corporate Party integrity building and anti-corruption governance system, carry out diversified anti-corruption education activities for employees and suppliers, and establish a sound internal reporting mechanism and whistle-blower protection system to create a clean and honest business atmosphere. In 2023, Yuexiu Transport paid close attention to the integrity supervision work, strictly enforced discipline and accountability, continued to build a solid line of defense against integrity risks, strengthened the staff's awareness of integrity, and constantly improved the professional ability of the discipline inspection team.

Highlight data

No litigation cases due to corruption or bribery occurred during the reporting period.

ANTI-CORRUPTION MANAGEMENT MECHANISM

Anti-corruption Management System

Yuexiu Transport strictly complies with the provisions of the *Corporate Governance Code* of the Listing Rules of HKEX and constantly improves the corporate governance structure and management system. In order to identify and respond to the potential risks of corruption in a timely manner, we have built a three-tier system of integrity risk prevention and control, namely, the management team's decision-making on the Company's integrity risk prevention and control system, the establishment of integrity risk prevention and control system in key areas, and the risk warning education prevention and control system.

- Three-tier system of integrity risk prevention and control
 - Board of Directors: As the leading organization of overall risk management of Yuexiu Transport, it is ultimately responsible for the construction and effective operation of the Company's overall risk management system.
 - General Manager's Office: As the decision-making body of daily risk management matters, it makes decisions on risk management matters according to the authorization of the Board of Directors.
 - Company's Party Committee Office: It is mainly responsible for the organization and coordination of the primary responsibility of the Company's Party integrity building and the implementation of the relevant assignment of tasks.

RESPONSIBILITY-ORIENTED • STRENGTHEN LEAN OPERATION

Anti-corruption System Construction

Yuexiu Transport has established a sound corporate integrity governance system, and continuously implemented the internal anti-corruption system and the supporting system for discipline inspection work as follows:

- Implementation Methods for Implementing the “Three Importances and One Greatness” Decision-making System of Yuexiu (China) Transport Infrastructure Investment Company Limited
- Table of Decision-Making Events of Yuexiu Transport’s “Three Importances and One Greatness” Monitoring Platform
- Yuexiu Transport’s Implementation Methods for Implementing the Primary Responsibility of Party Integrity Building Work
- Provisions of the Party Committee of Yuexiu (China) Transport Infrastructure Investment Company Limited on the Implementation of Political Responsibility for Strict Governance of the Party in a Comprehensive Manner
- Measures for the Management of Risk Incident Accountability of Yuexiu Transport Infrastructure Limited
- Administrative Rules on the Remuneration and Business Expenditure of the Principals In-Charge of Enterprises of Yuexiu Transport Infrastructure Limited
- Measures for Management of the Three Public Expenses (Public Spending on Purchase and Use of Cars, Overseas Trips and Official Receptions) of Yuexiu Transport Infrastructure Limited

Anti-corruption Supervision and Inspection

Yuexiu Transport continues to carry out comprehensive supervision and review on anti-corruption and business ethics, adopting a working method that combines daily supervision with specific supervision and carry out multi-department joint supervision involving discipline supervision of the disciplinary inspection department, the legal affairs, auditing and risk control supervision of the audit department, the financial and economic supervision of the financial department and the business supervision of all functional departments. We hold two working conferences on Party integrity building every year, conduct one on-site inspection covering the building of clean governance, business ethics and other work of all operations every year, and require subsidiaries to report the integrity work on a quarterly basis through written reports and video presentations, so as to effectively achieve the goal of full coverage of the Group’s supervision.

Highlight data

During the reporting period,

- Carry out two work conferences on Party integrity building.
- Carry out one on-site inspection covering the building of clean governance and business ethics to achieve 100% coverage of all companies.

RESPONSIBILITY-ORIENTED • STRENGTHEN LEAN OPERATION



YUEXIU TRANSPORT DEEPLY CARRIES OUT INTEGRITY RISK PREVENTION AND CONTROL WORK

In 2023, Yuexiu Transport carried out on-site inspection covering the building of clean governance and business ethics in the Group.

On March 23, Zeng Yangmei, a member of the Party Committee and Secretary of the Discipline Inspection Commission of Yuexiu Transport, went to Henan Weixu (Lanwei) Company to give a special lecture on integrity education, educating employees to be cautious in independence, conduct, subtlety and communication, to guard the political, power, communication, life and family ties, and to build a strong line of defense against corruption and degeneration.

On May 16, Zeng Yangmei, a member of the Party Committee and Secretary of the Discipline Inspection Commission of Yuexiu Transport, went to the GNSR Expressway Reconstruction and Expansion Project Management Office to organize a study and research meeting on the construction of an integrity risk prevention and control mechanism for the Project, so as to initiate specialized supervision, motivation and deployment work, further promote the construction of an integrity risk prevention and control mechanism and enhance the staff's awareness of anti-corruption and upholding integrity.



**Henan Weixu (Lanwei) Company
Integrity Education Special Lecture**



**Study and Research Meeting on the
Construction of An Integrity Risk
Prevention and Control Mechanism for
the GNSR Expressway Reconstruction
and Expansion Project (i.e. the meeting
to initiate specialized supervision,
motivation and deployment work)**

RESPONSIBILITY-ORIENTED • STRENGTHEN LEAN OPERATION

Internal Whistle-blowing and Protection System

Yuexiu Transport abides by relevant provisions of Discipline Inspection and Supervision Institutions' Administrative Measures for the Handling of Letters, Visits and Whistle-blowing of Yuexiu Group, and established a formal and comprehensive internal real name/ anonymous reporting system and protection system.

We have opened an internal whistle-blowing mailbox and encourage employees to report any actual or suspected corruption or misconduct in real name, or anonymously. In addition, we have opened reporting channels for external stakeholders.

Yuexiu Transport Whistleblowing Channel

Email: jt_jjjc@yuexiutransport.com
Hotline: +86 020-88835158

Yuexiu Transport Whistleblowing Handling Process

Report in time	As the acceptance and handling department of the reported information, the Discipline Inspection and Supervision Department reports the situation to the Group's senior management after receiving the reported information
Verification of reporting information	Conduct inspections according to management instructions and the relevant policies of the Group
Handle it as it is	Protect the rights and interests of whistle-blowers in accordance with relevant national laws and regulations, in order to ensure that real-name or anonymous whistle-blowers making proper and genuine reports receive fair treatment

Yuexiu Transport will adopt proper measures to protect whistle-blowers from any revenge as a result of any whistleblowing within the applicable scope of internal policies, such as unfair dismissal, persecution, or improper disciplinary action. The Group reserves the right to take appropriate action against any person who initiates or threatens to initiate retaliation against whistle-blowers (including anonymous whistle-blowers). If duty violations and crimes are suspected, we will take legal action according to the law in order to provide whistle-blowers with legal protection. The Group attaches great importance to the protection of whistleblower information and keeps all information received confidential unless it is required to be disclosed or audited according to laws and regulations or submitted to any supervisory institution or law enforcement department.

RESPONSIBILITY-ORIENTED • STRENGTHEN LEAN OPERATION

ANTI-CORRUPTION MANAGEMENT MEASURES

Yuexiu Transport integrates anti-corruption work into the daily management of the enterprise and adopts numerous measures in an effort to build an anti-corruption defense line. In daily operation and management, we set up an anti-corruption ledger and sign a letter of commitment for anti-corruption to strengthen the management of professional integrity; in talent employment and promotion, we require that employees holding important positions, such as the Group's department heads to participate in the "integrity reporting" every year and provide anti-corruption feedback on the promotion of mid-level employees of the Group to help strengthen the sense of anti-corruption in key positions.

Yuexiu Transport continuously conducts regular integrity education work and provides various forms of anti-corruption training and awareness campaigns for all employees of Yuexiu Transport, including directors and senior management of the Group and stakeholders. In 2023, we organized a visit to the anti-corruption warning education base, carried out the integrity culture DIY activities of "Skillful Hands Expressing Integrity and Uprightness Atmosphere" and the discipline education activities of "Adhering to Discipline, Paying Attention to Rules and Strengthening Behavior", and organized to watch the anti-corruption warning educational films "'High-speed' Astray" and "Lost" to advocate the anti-corruption awareness for all directors, executives, and employees.

YUEXIU TRANSPORT LAUNCHES DISCIPLINE EDUCATION ACTIVITY OF "ADHERING TO DISCIPLINE, PAYING ATTENTION TO RULES AND STRENGTHENING BEHAVIOR"

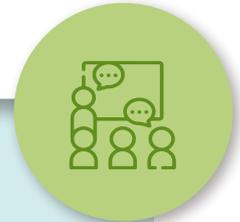
In October 2023, in order to consolidate the clean & integrity style of Yuexiu Transport's leadership team and management, Yuexiu Transport carried out the discipline education activity of "Adhering to Discipline, Paying Attention to Rules and Strengthening Behavior". A total of 57 members of Yuexiu Transport's leadership team, middle-level managers and Party members of each Party branch participated in the visit and study at the discipline and law education base for Party members and cadres in Guangzhou (Qingxuan Garden).



Discipline Education Activity Site of
"Adhering to Discipline, Paying Attention
to Rules and Strengthening Behavior"



RESPONSIBILITY-ORIENTED • STRENGTHEN LEAN OPERATION



YUEXIU (HUBEI) COMPANY LAUNCHES INTEGRITY CULTURE DIY ACTIVITY OF “SKILLFUL HANDS EXPRESSING INTEGRITY AND UPRIGHTNESS ATMOSPHERE”

In September 2023, in order to motivate employees to deeply understand the incorruptible culture, Yuexiu (Hubei) Company, a subsidiary of Yuexiu Transport, launched an integrity culture DIY activity of “Skillful Hands Expressing Integrity and Uprightness Atmosphere”, to collect DIY works of incorruptible culture from all employees. The majority of employees actively participated in the activity, collecting more than 35 groups of oil paintings, paper-cuts, derivative paper and other handicraft works. Through the creation, collection and display of integrity culture works, this activity guides the staff to constantly build a strong ideological and moral defense line against corruption and degeneration, and forms a clean and upright political atmosphere.



Explain the Handicraft Works of Integrity Culture

Highlight data

During the reporting period, the Group provided anti-corruption training and education to directors and employees for 32 times, covering 56 person-time of directors and 6,491 person-time of employees.

RESPONSIBILITY-ORIENTED • STRENGTHEN LEAN OPERATION

COMPLIANCE MANAGEMENT AND RISK CONTROL

Compliance Management

Yuexiu Transport set up a corporate compliance management structure and compliance governance structure, established a leading group for the construction of a compliance management system. The corresponding functions of the management team is defined as the highest responsible organization and decision-making level of corporate compliance management of Yuexiu Transport, the leaders as the person in charge of compliance management, the compliance management department as the organization, coordination, and supervision level of compliance management and the business department as the executive level of daily compliance management.



Compliance Management System and Main Management Responsibilities of Departments

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Yuexiu Transport has formulated and implemented the Work Guidelines for Compliance Management of Yuexiu Transport Infrastructure Limited and formulated corresponding compliance guidelines for the 7 key compliance areas such as project bidding management, information disclosure, related-party transactions, investment management, and labor contract management, etc., and issued them to relevant departments and subsidiaries for publicity and implementation. We focus on deepening the construction of the compliance management system of Yuexiu Transport and continue to strengthen the integration and collaboration of internal audit, internal control, risk control, purchasing management, and legal affairs to promote the normal operation of compliance management. We also implemented a performance audit, economic responsibility audit and special audit to promote the rectification of non-compliance issues identified during the audits.

- Carry out internal control self-evaluation and promote internal control self-evaluation rectification, improve Yuexiu Transport's emphasis on internal control, further strengthen the construction of internal control and improve the internal control system.
- Carry out supplier management and daily evaluation, implement purchasing supervision and strengthen related policies and system construction.
- Coordinate with the Company in investing projects, preventing and controlling projects risks and compliance risks.

In 2023, in order to further improve the compliance management capability, Yuexiu Transport has taken the following measures:

- Internal: Formulate the Compliance Guidance Manual for the Drafting and Revision of Articles of Association; according to the requirements of the municipal SASAC and the Group, Yuexiu (China) Transport Infrastructure Investment Company Limited and Yuexiu (Hubei) Company formulated the Management Measures for the Authorization of the Board of Directors to the Managers and the list of authorizations.
- External: Carry out compliance management work exchange and construction experience sharing, and promote compliance work exchange and learning with peers.

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Risk Control

Yuexiu Transport manages the risks and internal control system in strict accordance with relevant laws and regulations and regulatory requirements, actively promotes the innovation of modern enterprise management systems, and attaches great importance to the construction and implementation of risk management and internal control systems. We have continuously improved our risk management and internal control system and standardized business processes, and had the existing risk management and internal control system in compliance with relevant laws and regulations and the requirements of relevant regulatory departments:

- Issue an internal control report in accordance with the external regulatory requirements;
- Continuously promote the collection and summarization of the core indicators and tolerance indications of the risk preference system;
- Regularly collect and timely summarize the risk events, and complete the prevention and resolution of major risk events;
- Complete the risk assessment.

In 2023, Yuexiu Transport realized the comprehensive launch of the risk assessment management system. The risk assessment work system formed a digital closed-loop chain of risk identification, recommendation, assessment, response and tracking, which provided the audit basis for the third line audit work, effectively linked the second and third line work mechanism, and further improved the construction of the Company's compliance work system.

In addition, in order to ensure the effectiveness of internal risk management and control, we carried out key audit work covering multi-dimensional, including key business performance audit, special research projects of first-level control, internal control evaluation projects of subsidiaries, economic responsibility audit for subsidiaries, special audit for projects, etc.

Intellectual Property Protection

The Group attaches great importance to the protection of intellectual property rights, strictly abided by laws and regulations such as the Trademark Law, Copyright Law and Patent Law, and with reference to industry practices, continuously improve our intellectual property management system, optimizing the collaboration process, implementing the management of the intellectual property, including application, submission for review, use, and maintenance, and regularly reviewing the effectiveness of our intellectual property management system. We enhance the protection of intellectual property rights through trademark registration, patent application, and copyright registration.

The Group fully respects the intellectual property rights of others, encourages and protects fair competition, prevents and strictly prohibits any form of infringement, and makes efforts to protect the legitimate rights and interests of the Group and others from infringement.

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SUSTAINABLE DEVELOPMENT GOVERNANCE

Sustainable Development Management

Concept of Responsibility

In order to achieve the goal of sustainable development, Yuexiu Transport adheres to the corporate mission of “Rewarding Shareholders, Employees, and Society” and is committed to fully integrating the concept of sustainable development into the economic responsibility, road responsibility, environmental responsibility, employee responsibility and community responsibility of the enterprise, so as to grow together with stakeholders and realize the harmonious coexistence of enterprises and stakeholders. Yuexiu Transport is committed to develop safe and smooth road traffic, build a business ecology of honesty and mutual trust, construct a diversified, equal, and inclusive workplace environment, exploring intelligent and innovative road management and assuming the responsibilities of a state-owned enterprise to be a pioneer.

Sustainable Development Goals

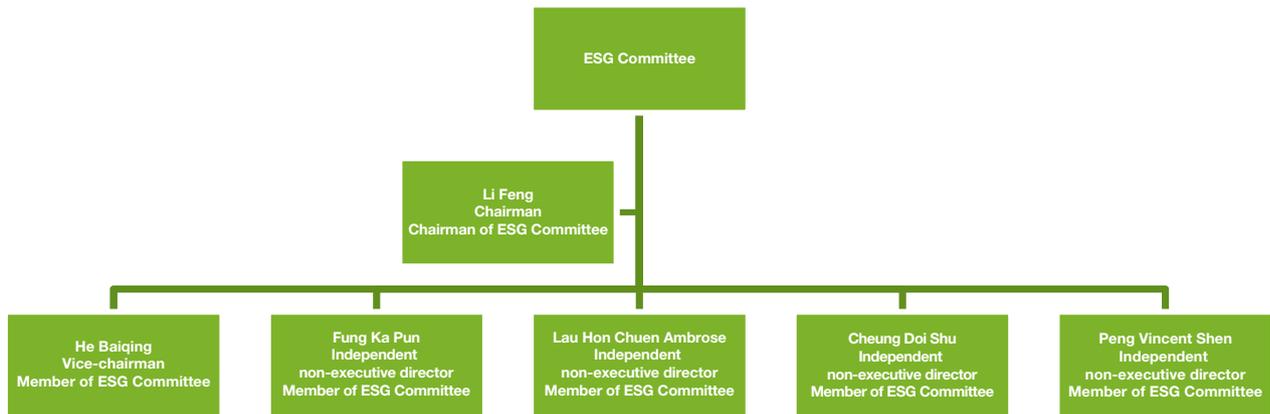
Responsibility for sustainable development	Sustainable development initiatives	United Nations Sustainable Development Goals (SDGs)
Economic responsibilities	<ul style="list-style-type: none"> Optimize operation and management Enhance assets values Create economic value Strengthen integrity building 	
Road responsibilities	<ul style="list-style-type: none"> Ensure road safety Maintain smooth traffic Lead intelligent transportation 	
Environmental responsibilities	<ul style="list-style-type: none"> Identify environmental risks Invest in environmental protection Practice low-carbon development 	
Employee responsibilities	<ul style="list-style-type: none"> Protect employees’ rights and interests Care for physical and mental health Enhance the platform for development 	
Community responsibilities	<ul style="list-style-type: none"> Build a harmonious community Empower community development Fulfil social responsibilities 	

RESPONSIBILITY-ORIENTED • STRENGTHEN LEAN OPERATION

Sustainable Development Structure

In order to promote sustainable development management, Yuexiu Transport has set up a three-tier governance structure comprising the ESG Committee, the ESG Leading Group and the ESG Working Group to form a closed-loop management system for practice from decision-making, communication, and practical implementation to reporting and assessment.

In 2023, we further refined the management responsibilities at all levels, integrating the decision-making, management and implementation responsibilities of climate change-related risks and opportunities into the sustainable development framework.



ESG Committee of Yuexiu Transport

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ESG Structure and Duties

Roles	Structure Level	Members	Duties
Leadership	ESG Committee	The ESG Committee comprises two executive directors and four independent non-executive directors	<ul style="list-style-type: none"> ➤ To review, formulate and approve the vision, objectives, strategies and management policies of the Group in relation to ESG matters and climate change response and make recommendations to the Board on relevant ESG matters and climate-related development strategies; ➤ To review and assess the adequacy and effectiveness of the management structure for ESG matters of the Group; ➤ Regularly review and monitor the Group's ESG and climate change response policies to ensure compliance with legal and regulatory requirements and corporate development strategies; ➤ Formulate the Group's key objectives for ESG management and climate change response, and regularly review the achievement of the objectives; ➤ To review and report to the Board on major international trends in legislation and regulations on corporate ESG, and to identify and assess ESG-related risks and opportunities that have an impact on the Group's operations; ➤ Report the annual ESG report and climate change disclosure information to the Board of Directors at least once a year; ➤ Oversee and manage other ESG and climate change response management activities.

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Roles	Structure Level	Members	Duties
Management	ESG Leading Group	The heads of all departments carry out related work and designate contact persons for communication	<ul style="list-style-type: none"> ➢ Study the ESG management policy applicable to Yuexiu Transport, and coordinate the system and working mechanism of ESG and climate change response; ➢ Assess and report on the current status of ESG management and the progress of climate-related strategies and objectives; ➢ Plan the short and medium term ESG work plan and monitor the progress of related work; ➢ Assess specific climate-related risks and opportunities and oversee the implementation of climate-related risk and opportunity management; ➢ Coordinate and compile annual ESG information and climate-related information disclosure; ➢ Report regularly to the ESG Committee on ESG and climate-related management performance.
Executives	ESG Working Group	Staff members from departments at headquarters and subsidiaries that are responsible for collecting information regarding environmental and social factors	<ul style="list-style-type: none"> ➢ Carry out daily management and statistics of environmental and social indicators and climate information of the Company and its subsidiaries; ➢ Be responsible for coordinating the implementation of specific climate-related risk and opportunity management tasks by various departments and affiliated project companies, and assisting in solving implementation problems; ➢ Identify and manage specific climate-related risks and opportunities and report periodically on the corresponding indicators; ➢ Propose suggestions for daily management.

RESPONSIBILITY-ORIENTED • STRENGTHEN LEAN OPERATION

Communication with Stakeholders

Identification of Stakeholders and Means of Communication

Yuexiu Transport insists on establishing a multi-channel and positive normalized communication mechanism among the key stakeholders, such as the government, employees, drivers and passengers, investors, suppliers, and local communities, actively respond to the expectations and demands of stakeholders, and jointly realizes the sustainable development of economic, social, and environmental values.



RESPONSIBILITY-ORIENTED • STRENGTHEN LEAN OPERATION

Materiality Assessment of ESG Issues

Yuexiu Transport continues to engage external professional consultants to review and evaluate the Group's sustainable development issues, and pays attention to the expectations and needs of stakeholders for sustainable development, forming the Materiality Matrix of ESG Issues in 2023.

Step	Direction of evaluation	Method of evaluation
1	Set up of material issue database	Based on the six aspects of national policies, regulation agency requirements, corporate development planning, disclosure standards, capital market and peer benchmarking, and the original list of material issues, we identified and summarized the material issues of 2023 in multiple dimensions, and built a material issue database.
2	Identify material issues	Based on the above analysis, 21 ESG issues that have significant impact on Yuexiu Transport were identified. Stakeholders including directors of the Group, employees, drivers and passengers, investors, government and regulation agencies, suppliers and local communities were involved in questionnaire surveys every two years.
3	Analyze and review material issues	We ranked the identified material issues of ESG, considering the opinions of the Company's management and the demands of stakeholders. The weight of each issue was assigned as per risk level to form a materiality matrix, and selection and analysis results were reviewed by internal management and external experts.
4	Respond to and disclose material issues	For material issues, action plans were developed and implemented, material issues were included in ESG strategies of Yuexiu Transport, then submitted to the Board of Directors for confirmation, and responded and disclosed in the report specifically.

Process of Issues' Materiality Assessment

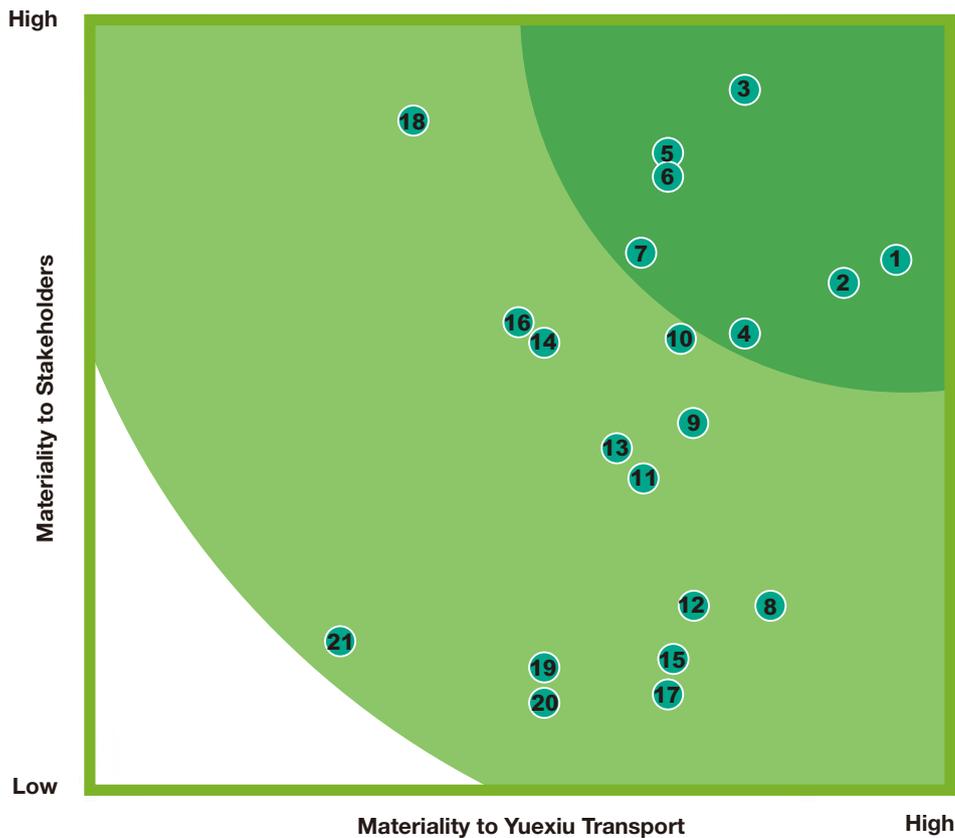
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In 2023, on the basis of the materiality matrix of issues in 2022, the name and meaning are adjusted, while the materiality of each issue remains unchanged.

- Name adjustment: change the original topic names of “Occupational Health and Safety” and “Anti-corruption” to “Health and Safety” and “Business Ethics” respectively.
- Meaning adjustment: further expand the meaning of “Health and Safety” “Community Relations” and “Protection of Employee Rights and Interests”.

In view of the adjustment of the above material issues, we present to and obtain confirmation from the board of directors, formulate and implement action plans, and make key responses and disclosures in the report.

Materiality Matrix of ESG Issues of Yuexiu Transport in 2023



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Materiality	No.	Name of Issues	Category
Highly material	1	Smooth traffic	Society
	2	Road quality and safety in operations	Society
	3	Carbon emission management	Environment
	4	Energy management	Environment
	5	Employees' rights and interests protection	Society
	6	Noise management	Society
	7	Resource utilization and recycling	Environment
Moderately material	8	Health and safety	Society
	9	Remuneration and welfare	Society
	10	Business ethics	Governance
	11	Information security and privacy protection	Society
	12	Talent development and retention	Society
	13	Sustainable development management	Governance
	14	Land use	Environment
	15	Service quality and complaint handling	Society
	16	Waste management	Environment
	17	Water resources protection	Environment
	18	Response to climate change	Environment
	19	Supply chain management	Society
	20	Community relations	Society
	21	Biodiversity	Environment

LOW-CARBON ORIENTED • PROMOTING GREEN DEVELOPMENT



LOW-CARBON ORIENTED • PROMOTING GREEN DEVELOPMENT

Yuexiu Transport continues to deepen the concept of green transportation, proactively answers the call of the integrated transportation plan in China's "14th Five-Year Plan", strengthens the construction of green transportation system through technological innovation, makes every effort to promote green transformation and ecological conservation, actively promotes the combination of sustainable development and environmental protection during project implementation performs its social responsibility in ecological protection, practices green operation, reduces greenhouse gas emissions, promotes energy conservation and renewable energy application measures, and contributes to the construction of an environment-friendly society.

SDGs Topics



Overview of Related ESG Issues and Management Practices in 2023

Related ESG issues

- Carbon emission management
- Resource utilization and recycling
- Noise management
- Energy Management
- Waste management
- Response to climate change
- Land use
- Water resources protection
- Biodiversity
- Sustainable Development Management

Strategy

Actively respond to the national strategic decision to achieve carbon peak and carbon neutrality, implement sustainable transportation construction, and continue to deepen green engineering and green operation by insisting on technological innovation and management capacity improvement, so as to minimize the impact of road construction, construction and operation on the environment.

Action

We vigorously promote the construction of green roads, carry out photovoltaic projects, and reduce the high greenhouse gas emissions generated by traditional fossil energy. Tunnel lighting technology optimization combined with intelligent control reduces energy consumption and improves travel safety.

Outcome

We have reduced carbon emissions in the process of road operation and use, implemented cost reduction and efficiency enhancement, energy saving in operation, and strengthened the safety guarantee of tunnel driving.

Improvement

In response to the requirements of the country to promote the green development of highways, the deepening of green highway construction is included in the future work plan, and the following green highway objectives are formulated to guide the future direction of enterprise operation:

- Emissions: reduce greenhouse gas emissions per km
- Waste: the recycling rate of old asphalt reaches 100%
- Energy efficiency: reduce energy consumption per km
- Water efficiency: reduce water consumption per km

LOW-CARBON ORIENTED • PROMOTING GREEN DEVELOPMENT

GREEN PROJECT IMPLEMENTATION

Yuexiu Transport strictly abides by the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, the *Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste*, and the *Law of the People's Republic of China on Environmental Impact Assessment*. We actively respond to the goal of building a green modern highway transportation system in national policies such as the "14th Five-Year Plan for the Development of Modern Comprehensive Transportation System", develop green transportation, strengthen the use of renewable energy and the recycling of waste building materials, and build sustainable development highways.

Yuexiu Transport attaches great importance to the management and control of the environmental impact in the process of the project, identifies, monitors and handles the environmental pollution in the project in strict accordance with relevant laws and regulations, and ensures that the negative impacts such as emissions, wastes and noise in the project are effectively controlled in accordance with the law and regulations. We have formulated corresponding treatment measures for various environmental risks, requiring the construction team to carry out civilized construction and timely and properly dispose of engineering wastes, and set up noise barriers at key sections to block noise, so as to ensure that the waste and noise level meet the national and local environmental standards and requirements. In 2023, Yuexiu Transport did not have any penalties and legal proceedings caused by environmental problems.

On the premise of ensuring road quality, we committed to reducing resource consumption and waste generation in engineering projects through active research in and application of new materials, new technologies, new processes, and new equipment. Thus, we effectively reduced environmental pollution risks, boosted energy conservation and emissions reduction, and implemented the concept of green transport in project management.

Green Construction

Yuexiu Transport practices the concept and practice of green construction in the process of project construction. In the design stage, optimization schemes such as straightening the route and structural innovation are adopted to reduce the amount of earthwork excavation, control land use and reduce the impact on the surrounding communities and ecological environment.

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GNSR EXPRESSWAY RECONSTRUCTION AND EXPANSION PROJECT CONTINUES TO OPTIMIZE EARTHWORK AND REDUCE ABANDONED EARTH

The preliminary design scheme of the reconstruction and expansion project has a huge amount of earthwork. In order to protect the environmental sensitive points along the line, avoid destroying the green vegetation and solve the problem of waste slag, after technical discussion and scheme optimization, the project reduces the excavation and digests the filling by lifting the vertical section, designing the spacing of Muqiang Tunnel as a ultra-small spacing, converting a part of bridge into road, optimising the side slope scheme and the deployment of service area, optimising the lightweight earth wall into soil-fill road, and setting up filling areas along the line. We optimize the excavation volume from 8.1 million m³ in the preliminary design to 6.602 million m³, reduce the excavation volume by about 1.498 million m³, with a reduction rate of 18.49%. The volume of abandoned cubic meters was optimized from 4.695 million m³ to 2.85 million m³, with a decrease of 1.845 million m³ and a decrease rate of 39.29%.

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CAST-IN-PLACE BOX GIRDERS ARE REPLACED BY PRECAST CONCRETE GIRDERS IN THE RECONSTRUCTION AND EXPANSION PROJECT OF GNSR EXPRESSWAY TO REDUCE ENVIRONMENTAL IMPACT

In the reconstruction and expansion project of the GNSR Expressway, according to the original design scheme, the main line bridges and some interchange ramp bridges are prestressed concrete cast-in-place box girders, with complex technology and long construction period, which have a great impact on the intersection of local roads and the environmental impact is more prominent. After optimization study, we optimized most of the cast-in-place box girders and steel box girders of the whole line to precast concrete girders; for the steel box girders which are difficult to change to precast concrete girders, we also optimized the design. We finally succeeded in optimizing eight cast-in-place box girder bridges or steel box girder bridges to precast concrete girder structures, and optimizing the structural design of two steel box girders that could not be completely converted to precast concrete girders, on the basis of safeguarding the quality of the roads in the reconstruction and expansion project, which greatly reduced the environmental impact.

Highlight data

In the reconstruction and expansion project of the GNSR Expressway, through technical discussion and scheme optimization,

- The total excavation volume of the project was optimized from 8.10 million m³ in the preliminary design to 6.602 million m³, a decrease of 18.49%.
- The abandoned volume was optimized from 4.695 million m³ to 2.85 million m³, a decrease of 39.29%.

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Green Maintenance

In recent years, Yuexiu Transport has continuously promoted the application of hot recycling green maintenance technology and NovaChip ultra-thin wearing course overlay construction technology (hereinafter referred to as “micro-surfacing overlay technology”), and adopted the synchronous forming process of waterproof adhesive layer and hot mix asphalt mixture to reduce the pavement damage rate and the demand for road maintenance, thus effectively reducing the waste and energy consumption caused by pavement maintenance.



MICRO-SURFACING OVERLAY TECHNOLOGY TO REDUCE THE ENVIRONMENTAL IMPACT OF PAVEMENT MAINTENANCE PROJECTS

In 2023, we adopted micro-surfacing overlay technology in Hubei Daguangnan Pavement and Hubei Han-E Pavement Maintenance Project, and selected micro-surfacing overlay technology to deal with slight rutting and cracks on the pavement, effectively improving the driving performance of the pavement, prolonging the service life of the pavement, and reducing the risk of environmental pollution caused by milling and paving of the asphalt pavement; The whole process of micro-surfacing construction is operated at normal temperature without drying and heating, which effectively reduces the emission of harmful substances. Compared with hot asphalt mixture construction, it saves about 50% of energy and has outstanding environmental protection advantages. After the construction of micro-surfacing overlay technology, the traffic can be opened in 1-2 hours to reduce the impact on traffic.

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GREEN OPERATION PRACTICING

Yuexiu Transport integrates green and low-carbon concepts into road operation management, strictly abides by laws and regulations such as *the Energy Conservation Law of the People's Republic of China* and *the Cleaner Production Promotion Law of the People's Republic of China*, constantly optimizes energy and resource management measures of enterprises, formulates emission reduction strategies, actively promotes energy conservation and consumption reduction, and promotes low-carbon transformation and technological innovation. We avoid unnecessary loss of water resources and office supplies, and minimize the impact of business operations on the environment.

Energy Conservation and Emission Reduction

Yuexiu Transport supports the national carbon peak and neutrality strategic plan with practical actions, and actively takes a number of measures to reduce greenhouse gas emissions in the operation process. In our daily office and road operations, we have defined the requirements of energy conservation and environmental protection, promoted various renovation projects and green operation measures, and reduced energy consumption in the operation process. In 2023, about 90.9% of Yuexiu Transport's greenhouse gas emissions come from indirect emissions, mainly derived from purchased electricity, while direct emissions come from the consumption of gasoline, diesel and natural gas by self-owned vehicles and boiler equipment.

Indicator category	Unit	2023	2022
Greenhouse gas emissions			
Greenhouse gas emissions (scope I)	Tons of CO ₂ equivalent	1,615	1,858
Greenhouse gas emissions (scope II)	Tons of CO ₂ equivalent	16,217	16,235
Greenhouse gas emission intensity	Tons of CO ₂ equivalent/km	32.06	32.53

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We have actively adopted energy conservation and emission reduction measures in various business areas, and continuously optimized the management plan of engineering projects and office operations to improve energy efficiency and reduce carbon emissions.

Road energy-saving reconstruction	<p>We continue to carry out road energy-saving renovation projects, promote photovoltaic projects, LED lamp replacement, new energy power generation pilot projects, and other renovation projects, introduce renewable energy, reduce unnecessary energy losses, and constantly explore measures and experience for road energy-saving and emission reduction.</p>
Office energy saving and emission reduction	<p>Continuously promote energy conservation and emission reduction in office space, optimize energy consumption performance in office space through the use of variable frequency air conditioning, transformation of boilers and heating pipes, replacement of energy-saving lamps and other measures, save office electricity, and call on employees to consciously turn off the power supply of computers, lights, printers, water dispensers, integrated machines and other electronic equipment after work. We do not use own high-power electrical appliances in the office area without permission.</p>
Management of official vehicles	<p>Phase out the old official vehicles, introduce new energy official vehicles, and reduce the energy consumption generated by the operation of official vehicles; at the same time, strengthen the management of official vehicles, approve the use of vehicles according to the actual needs through the OA system and management process, and avoid waste.</p>

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In 2023, GNSR Company, Cangyu Company, Suiyuenan Company and Changzhu Company under Yuexiu Transport implemented a series of energy-saving and emission reduction measures.

INTELLIGENT ENERGY MANAGEMENT CONSTRUCTION OF GNSR COMPANY

Using the Internet of Things and cloud computing technology, GNSR Company has developed an air conditioning intelligent management and control system for specific application scenarios, which has been fully launched to monitor and intelligently regulate the Company's air conditioning power consumption in real time, greatly reducing the management burden, reducing human costs and improving management efficiency. The system can remotely monitor various states of the air conditioner, analyze and display the statistical results of power consumption, optimize energy saving, realize automatic timing shutdown through automatic correction of unreasonable settings, diagnose and alarm non-compliant power consumption behavior and common faults, ensure the safety of power consumption, help to arrange maintenance reasonably and reduce maintenance costs.

In addition, GNSR Company is accelerating the development of intelligent energy management platform, developing data monitoring and analysis, energy optimization and dispatch, management and control visualization and other functions, which will be put into trial operation in mid-2024 to achieve efficient energy utilization.



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In 2023, the intelligent upgrading and transformation of the GNSR Expressway Tunnel lighting was steadily promoted, and we initiated a new type of sunshine lighting project and made breakthroughs.

INTELLIGENT UPGRADING AND TRANSFORMATION OF TUNNEL LIGHTING OF GNSR COMPANY

Highway tunnel lighting is a kind of lighting application that runs 24 hours a day, which consumes a lot of electricity. In this regard, the GNSR Company actively carries out research on tunnel lighting energy saving and promotes the standardization of emerging technologies, using led light source for “intelligent dimming, asymmetric light distribution”, on the one hand, in the existing tunnel application of integrated led lights, improve the brightness of the tunnel and the background brightness of the road in front of the driving, thereby enhancing the texture of the back of the obstacle. Through the application of led lamps for forward lighting, the luminous angle is effectively controlled, and the tunnel driving is not dazzled. The driving safety is effectively improved, and the driving environment is optimized; on the other hand, the original high-pressure sodium lamp is replaced by an led lamp, so that more than 60% of energy consumption is saved, and the display index, the light source utilization rate and the starting response speed are further improved. At the same time, through the introduction of intelligent dimming control system, intelligent dimming is carried out based on traffic flow and brightness inside and outside the tunnel. Compared with the traditional loop control dimming mode, it can save about 25% of energy consumption, effectively guarantee the visual needs of drivers and passengers, adapt to real-time traffic flow and environmental changes, and improve the level of lighting energy-saving technology. After the upgrade and renovation in 2022 were completed, the electricity consumption of the tunnel decreased by 18% year on year.



Tunnel lighting intelligent upgrade achievement



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Yuexiu Transport has always implemented the policy of “green development, energy saving and intensive, low-carbon and environmental protection” as a strong transport policy, putting into practice the concept of green development, and exploring new energy fields such as highway photovoltaic, striving to make positive contributions to the integrated development of transport and energy and to the country’s “carbon peak and carbon neutrality” strategic goal. The four subsidiaries of Yuexiu Transport (GNSR Company, Cangyu Company, Changzhu Company, Suiyuan Company), in accordance with the circumstances and characteristics of the projects, have commenced the construction of photovoltaic projects in two modes: self-invested construction and contract energy management, with a total installed capacity of approximately 6.5 MW and an average annual power generation capacity of approximately 7.332 million kWh. The photovoltaic projects have economic value and at the same time make the transport operation and management more environmentally friendly and low-carbon.



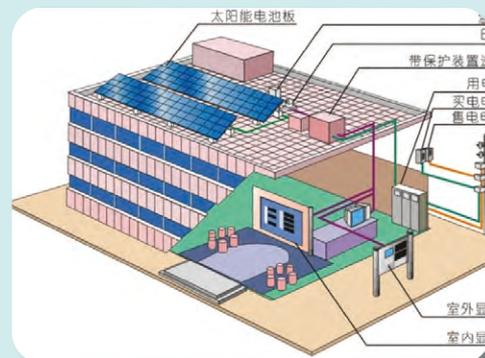
DISTRIBUTED PHOTOVOLTAIC POWER GENERATION CONSTRUCTION OF GNSR INTELLIGENT PHOTOVOLTAIC PROJECT

In June 2023, all the distributed photovoltaic power generation systems in the GNSR Expressway were successfully connected to the grid, and Yuexiu Transport became the first expressway enterprise in Guangdong Province to launch the distributed photovoltaic power generation system, laying the foundation for the large-scale application of photovoltaic power generation in the subsequent reconstruction and expansion, and effectively promoting the energy transformation and green development of the industry.

The GNSR Expressway Intelligent Photovoltaic Project uses 700 square meters of idle roof of Longshan Management Office and Xiangxue Toll Station to build a distributed photovoltaic power generation system, with a total installed capacity of 143.1 kW, utilizing 265 pieces of 540Wp crystalline silicon photovoltaic modules. The system is directly connected with the main power supply network to supply power to the terminal electrical equipment, and the main network only needs supplementary power supply. Through a set of distributed photovoltaic power generation management system, the integrated management and control of green energy is realized. It has many advantages, such as convenient equipment maintenance, flexible installation location, efficient space utilization, reducing power waste, saving power consumption of the main network, stable and lasting operation, etc. Since the launch of the system until the end of 2023, a total of approximately 119,000 kWh of clean electricity were generated, with consumption ratio as high as 90%, and the yield rate is far higher than that of similar projects. Compared to traditional energy-based power generation methods, this resulted in a cumulative reduction of carbon emissions by 118.7 tons and a cumulative savings of RMB54,000 in electricity costs.



Laying of photovoltaic power generation project



Schematic diagram of photovoltaic power generation equipment

LOW-CARBON ORIENTED • PROMOTING GREEN DEVELOPMENT

**PHOTOVOLTAIC POWER STATION
PROJECT OF CANGYU COMPANY**

The distributed photovoltaic power generation project of Cangyu Company was put into operation in September 2022, with an installed capacity of 92.75 kW, adopting the mode of “self-use, surplus electricity access to the Internet”, in line with the principle of “reducing costs, increasing efficiency, saving energy and reducing emissions”, making full use of vacant resources such as the roof of the office building and the roof of the parking shed of the management center, not only provides clean electricity for the gantry system of Cangyu Expressway, the daily office and life of employees, but also achieves the goal of reducing consumption, reducing emissions and green environmental protection. It highlights the corporate social responsibility of Cangyu Company to actively respond to the national call for energy conservation and emission reduction. The distributed photovoltaic power generation project of Cangyu Project accumulatively output approximately 88,000 kWh of clean electricity in 2023. Compared to traditional energy generation, it reduced carbon emissions by 87.9 tons and saved about RMB50,000 in electricity costs.



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CONSTRUCTION OF CHANGZHU EXPRESSWAY PHOTOVOLTAIC POWER GENERATION PROJECT

The distributed photovoltaic power generation project of Changsha-Zhuzhou Expressway has a scale of 5.65 MW, adopts 10,773 pieces of 660Wp high-efficiency double-glass monocrystalline silicon photovoltaic modules, and uses fixed brackets to install photovoltaic arrays. From May 2023 when the photovoltaic power generation equipment was connected to the grid and put into operation until the end of 2023, a total of approximately 2.596 million kWh of clean energy was generated. Compared to traditional energy-based power generation methods, it reduced carbon emissions by 2,588 tonnes, resulting in cumulative savings of approximately RMB70,000 in electricity costs.



SUIYUENAN EXPRESSWAY PHOTOVOLTAIC POWER GENERATION PROJECT

- Suiyuenan Expressway adopts the mode of Energy Performance Contracting to construct photovoltaic projects. In April 2023, the whole line of Suiyuenan Photovoltaic Project was connected to the grid and put into operation and by the end of 2023, a total of 437,000 kWh of clean energy was generated. Compared to traditional energy-based power generation methods, it had reduced carbon emissions by 435.2 tonnes, resulting in cumulative savings of approximately RMB30,000 in electricity costs.

The application of photovoltaic projects is of great significance for promoting environmental protection, adjusting energy structure, improving economic efficiency and promoting technological innovation. In the future, Yuexiu Transport will continue to promote the development and construction of photovoltaic projects on affiliated expressways, provide clean electricity and help reduce carbon emissions during road operation, reduce the high greenhouse gas emissions generated by traditional fossil energy, and promote the green and sustainable development of Yuexiu Transport.

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Highlight data

By the end of 2023, the cumulative total installed capacity of the Yuexiu Transport PV Project is approximately 6.5 MW, with a total average annual power generation capacity of approximately 7.332 million kWh. During the reporting period, the solar energy produced and exported was about 3.23 million kWh.

Water Resources Management

Yuexiu Transport has adopted a variety of scientific water use measures to improve water efficiency in road operations. All water resources used by Yuexiu Transport for its own operations come from the municipal network, and no issue in water supply was identified. Our greening contractors primarily used rainwater saved, and their own pond water for daily road greening and maintenance activities. Furthermore, the frequency and amount of watering have been scientifically determined according to the season so as to save greening and maintenance water consumption.

The Group has advocated water-saving and environmental protection measures on various occasions, carried out water-saving propaganda, inspected relevant equipment, and installed required sewage treatment facilities to improve water efficiency of the enterprise and prevent water resource pollution.

Indicator category	Unit	2023	2022
Total water consumption	m ³	352,995	378,010
Water consumption per km	m ³ /km	634.65	679.63

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SUBSIDIARIES STRENGTHENED DAILY OPERATION AND WATER-SAVING MANAGEMENT

- Cangyu Company: In order to implement lean management, Cangyu Company vigorously promoted electronic office and posted slogans in water-using areas to advocate water conservation. The company also launched water conservation publicity and inspected relevant water equipment to eliminate water waste from “running, appearing, leaking and dripping” at the source.
- Suiyuanan Company: The company formulated *Office Area Management Measures of Hubei Suiyuanan Expressway Company Limited*, implemented fire prevention, burglary prevention and disaster prevention measures in office areas, adhered to the concept of water and electricity conservation, made clear provisions prohibiting the use of high-powered electrical appliances, etc., and launched publicity on water conservation.

Improve Resource Efficiency

Yuexiu Transport has been committed to promoting green office and improving resource utilization to achieve sustainable development. We have integrated the concept of saving paper into our road operations and daily office work, and adopted a number of measures to reduce waste of resources. On the one hand, we followed China’s road information construction trends and continuously promoted paperless toll stations on expressways and bridges. By issuing composite cards that drivers can use repeatedly and adopting an RFID (Radio Frequency Identification) system, we have achieved paperless tolls and avoided waste of paper due to a large number of toll receipts. On the other hand, we also used an online OA system for integrated online management, and on-demand procurement of office supplies. In the mean time, we have set up a waste paper recycling site from which we regularly send waste papers to Guangzhou Paper Group Ltd. to achieve paper recycling and regeneration.

In 2023, Yuexiu Transport responded to the lean management requirements put forward by Yuexiu Group, carried out a series of office management measures, implemented the concept of green office, and realized the rational use of office resources, thus reducing office costs, and contributing to the sustainable development of the Company.

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Paperless office	Implement the principle of “print only when necessary” to minimize the use of paper. Apart from necessary occasions such as submitting materials to external parties and attending meetings, internal meetings do not print paper materials in principle. If printing is required, we strictly control the number of prints, and try to use double-sided and black-and-white printing methods.
Printer settings	By reducing the number of printers on each floor, setting up a centralized printing area and implementing card-based printing, the amount of printing can be effectively controlled. In addition, we performed a statistical analysis of the printing data to gain a better understanding and to manage its usage. By publicizing and implementing the lean management work plan and strictly controlling the process of collecting office paper and selenium drums, the purchase cost of printing consumables decreased by 44% compared with the same period last year.
Conference management	Advocate the use of electronic conference equipment, such as mobile all-in-one machines, conference iPads, etc., to reduce the consumption of paper materials, turn the power supply off promptly after meetings, and encourage participants to bring their own cups to reduce the use of disposable paper cups.
Office supplies management	Promote the use of recyclable office supplies and reduce the use of disposable office supplies. Strengthen the procurement plan and inventory management of office materials to improve the efficiency of the use of materials. We also arrange greenery rationally in the office area, and properly reduce the placement density on the premise of ensuring the office environment.

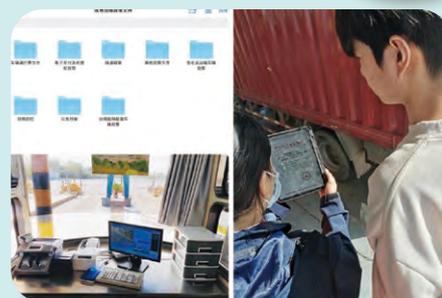
Category	Unit	Data for 2023	Data for 2022
Toll station receipt/invoice paper	Tonnes	4.67	5.22

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PROMOTION OF ELECTRONIC OFFICE

In 2023, with the implementation of green office in Suiyuenan Company, the number of office paper purchases was reduced, and it was stipulated that the general conference materials should be presented by computer screen sharing and thus no more printing materials, and the waste paper should be reused to reduce energy waste. The operational department of Yuexiu (Hubei) Company has gradually evolved from paper office to paperless office. Paper documents are no longer used, and organized documents are being imported into the office tablet on site, allowing employees to find the corresponding documents more quickly and accurately when explaining policies to drivers and passengers outside the toll stations. Such paperless transformation makes the toll stations more concise, and also improves the efficiency of on-site work.



Employees of Yuexiu (Hubei) Company explaining management policies to drivers and passengers outside the toll stations

Reduce Waste Pollution

Yuexiu Transport adheres to the *Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste* and other laws and regulations, and adopts various means to control the potential environmental impact caused by wastes during road operation, so as to reduce environmental pollution by road maintenance materials and office wastes. We require our construction contractors to properly dispose of project wastes, implement civilized construction practices and reduce the environmental impact of road deicing and snow melting. For offices, we have provided waste sorting bins, and handed over all used lamps and waste toner cartridges to a qualified third-party for further handling to reduce the impact of environmental pollution.

Category	Unit	Data for 2023	Data for 2022
Waste light tube	Kg	214.15	547.48
Waste printer/toner cartridge	Kg	481.89	537.98
Waste asphalt concrete	Tonnes	139,881	41,502
Waste office paper	Kg	251.49	7,472

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In 2023, the expressway subsidiary of Yuexiu Transport purchased and used an environment-friendly snow-melting agent, that emits less pollution to the atmosphere. The water content of sulfate ions in such agent is low which is less likely to corrode pavements, shoulders and other pavement structures.

We took the initiative to implement more stringent requirements for the recycling rate of asphalt, instead of abandoning, we require the construction parties to centralize stacking. The asphalt wastes produced during the construction of road maintenance projects, and to properly preserve them through necessary rain-proof measures, so that the recycling rate of the asphalt wastes reached 100%, and part of the recycled old materials could be used for local roads while part of them were recycled by the mixing station to produce base mixture. In the mean time, on the basis of assuring the quality of the roads, we plan to adopt asphalt recycling technology during the implementation of the reconstruction and expansion project of the GNSR Expressway in the sections where conditions permit. The old asphalt mixture, together with some new aggregates, new asphalt and recycling agent, are properly mixed as recycled asphalt mixture that meets the requirements of road performance. Recycling reduces the disposal of asphalt mixture and reduces land occupation and waste of resources.

Highlight data

Centralized stacking and proper treatment of asphalt wastes from road maintenance works achieved 100% recovery of asphalt wastes.

Reduce Road Noise

Yuexiu Transport is well aware of the impact of traffic noise and construction noise on the surrounding residents and living environment, so we adhere to the *Law of the People's Republic of China on Prevention and Control of Environmental Noise Pollution* and other laws and regulations, and have been committed to taking a variety of ways to control the impact of road noise through scientific management and technical means. We set up sound barriers in key road sections to insulate noise generated in the process of road operation and mitigate effects of noise on the surrounding environment, and apply new road maintenance materials to reduce road noise at the source.

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Traffic noise control	Optimize route planning	Through scientific route planning and design, keep a reasonable distance from residential areas, try to keep vehicles away from residential areas, and reduce noise interference to the residents
	Innovative maintenance materials	Apply environment-friendly maintenance materials, lay noise-reducing asphalt, carry out high-speed pavement maintenance, and reduce noise at the source
	Noise barrier construction	Explore green construction technology, build noise barriers in key sections to intercept noise transmission
Construction noise control	Reasonable arrangement of construction time	Avoid construction during the rest time of residents, try to carry out construction in daytime, and communicate with the surrounding residents before construction to gain their understanding and support
	Use of low-noise construction equipment	Priority is given to low-noise construction machinery and equipment to reduce the impact of construction noise on surrounding communities
	Strengthen construction site management	The construction site is required to strictly abide by environmental protection laws and regulations. We strengthen noise monitoring at the construction site, and take immediate measures to deal with excessive noise once found



NOISE-REDUCING ASPHALT PAVING FOR GNSR RECONSTRUCTION AND EXPANSION PROJECT

In 2023, Yuexiu Transport applied the high-performance, environmentally friendly super-thin wear layer (GET) technology to the pavement maintenance project of GNSR Expressway in Guangzhou and completed preventive maintenance of high-grade pavements and repair of minor pavement defects by combining high-performance asphalt mixture made from ultra-high viscosity and high elasticity asphalt and high quality customized stone materials with high-viscosity emulsified asphalt, which reduced noise by 3-7 dB compared to conventional pavements.

LOW-CARBON ORIENTED • PROMOTING GREEN DEVELOPMENT**GNSR EXPRESSWAY NOISE BARRIER PROJECT**

In 2023, the GNSR Expressway carried out the construction of a fully enclosed noise barrier project. The design length of the project is 480 meters, independent pile foundation is adopted. The upper part is a steel structure with transparent acrylic board and metal absorption panel. After the completion of the project, the traffic noise impact of the GNSR Expressway on Poly Roland Phase II residential area have been effectively reduced. By the end of 2023, the civil construction is 98% completed and the steel structure construction is 28.5% completed, amounting to 865 tonnes of materials installed (3,037 tonnes by completion).

**NOISE BARRIER PROJECT OF CHANGZHU COMPANY**

Due to the rapid social and economic development of the areas along Changsha-Zhuzhou Expressway, and the increasing density of surrounding residents, the noise problem of the expressway has caused many complaints and stability incidents. In order to eliminate the adverse factors surrounding the expressway, combined with the application effect of the traditional noise barriers in the past, Changzhu Company implemented the research project of a new environmental protection foam board composite noise barrier technology for Changzhu Expressway in 2023, and explored the green construction technology of highway. We have made full use of the waste mud, earth and stone needed for subgrade replacement, shield tunnel and bridge pile foundation construction, and have developed and established a new type of environmental protection foam board composite noise barrier of about 200 meters, to reduce the noise pollution and to improve the living environment around Changzhu Expressway.

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NOISE BARRIER PROJECT OF CANGYU COMPANY

The downstream section of Cangyu Expressway is close to the residence of Longan Village, and this section is an uphill section, which makes a lot of noise when heavy trucks pass through, affecting the quality of life of villagers. Considering the needs of residents, the company added a 150m-long noise barrier in the downstream section, which was highly praised by the villagers who sent a banner of “people live in peace and prosperity, and the roads are safe and smooth”.



NOISE BARRIER PROJECT OF SUIYUENAN COMPANY

Suiyuenan Expressway has a large traffic flow and a high ratio of goods to passengers. In order to reduce the interference of noise to the surrounding residents, RMB608,000 was invested in 2023 to add 4 noise barriers along the whole line of Suiyuenan Expressway, 1,219 m² in total.

Highlight data

All subsidiaries in 2023:

- 37,017 m² of noise-reducing pavement laid.
- RMB3.3204 million input for noise reduction.

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GREEN ECOLOGY PROTECTION

Yuexiu Transport is committed to building a green and environmentally friendly transportation system and contributing our strength to the construction of a beautiful and green home. We attach great importance to the protection of ecological systems. The Company strictly complies with all applicable laws and regulations, such as the *Environmental Protection Law of the People's Republic of China*, the *Water and Soil Conservation Law of the People's Republic of China*, and environmental impact evaluation systems such as the *Regulations on Administration of Environmental Protection in Construction Projects* and the *Regulations on Environmental Impact Assessment of Road Construction Projects*. We confirm the work requirements of environment protection and related evaluation indicators in our internal policies, including *Measures for Administration of Business Plans of Yuexiu Transport Infrastructure Limited*, *Work Guidelines for Mechanical and Electrical Maintenance and Management of Yuexiu Transport Infrastructure Limited*, *Yuexiu Transport Infrastructure Limited Road Maintenance Engineering Bidding and Procurement Management Implementation Rules (Trial)*. These are strictly implemented in our business links, such as infrastructure investment, construction and operations.

Standardized Land Use

In land use, Yuexiu Transport always adheres to all relevant laws and regulations, such as the *Environmental Protection Law of the People's Republic of China*, the *Land Administration Law of the People's Republic of China*, the *Forestry Law of the People's Republic of China*, the *Environmental Impact Assessment Law of the People's Republic of China*, and the *Regulations on Environmental Protection Management of Construction Projects*, to ensure that our operations and construction projects have minimal impact on the environment and the community. At the same time, we follow the internal policies such as *Yuexiu Transport Infrastructure Limited Expressway Maintenance Management Comprehensive Inspection Implementation Method (Trial)*, require all projects to carry out the environmental impact assessment, clearly stipulate the management requirements of land use and related assessment indicators, and form a complete set of processes in land procurement, use, management and protection. In the process of maintenance of all our operations, we use industry standards related to land use such as *Inspection and Evaluation Quality Standards for Highway Maintenance Engineering Section 1 Civil Engineering* and implement projects such as slope restoration, roadbed restoration, ditch renovation and greening maintenance works as required, ensuring that the process of land use conforms to the relevant industry standards.

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Yuexiu Transport Land Use Policy Statement

Yuexiu Transport promises to follow the following land use standards in all business scope:

For the of project development, environmental impact assessment shall be carried out continuously in the site selection stage, collecting information on ecological red line, water source protection area and environmental sensitive points. Green space and ecological protection area shall be avoided as far as possible when conducting projects. Otherwise, the national standards such as *Technical Guideline for Environmental Impact Assessment Ecological Impact* shall be complied with and other measures shall be considered, including but not limited to the completion of ex-situ conservation in accordance with local laws and regulations, optimization of construction methods to reduce development, etc., with the aim to protect the ecosystem from the root. At the same time, Yuexiu Transport shall carry out vegetation restoration, dustproof, light-proof, noise-proof and other pollution protection measures to compensate, and continuously track and restore the ecosystem in the areas disturbed by the project.

In order to regulate land use, Yuexiu Transport has continuously improved the full-cycle process of “before-during-after” project development, optimized the management of existing projects, promoted the application of green innovation technology in new projects, and reduced the impact on the ecological environment. We actively participate in green infrastructure projects promoted by all levels of government to promote sustainable land use and management.

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Project development process	Measures taken
Before the project	We conduct due diligence investigations on all potential investment targets to ensure that projects have passed the environmental impact assessment and any other specified issues, such as the acquisition of a land use certificate in the purchase agreements. In the project design stage, we also investigate, forecast, and evaluate the possible ecological impact of the projects and propose and implement measures and programs to protect the ecological environment. At the same time, we will actively introduce new technologies to reduce the impact of road construction on the environment, conduct intelligent road research on the reconstruction and expansion project of the GNSR Expressway, and reduce the project land occupancy through intelligent technology.
During the project	We have marked up a special construction environmental protection fee in project cost, which is specially used to implement environmental protection requirements in construction. At the same time, we have implemented the environmental protection management in accordance with the <i>Standard Bidding Document for Highway Construction (2018 Edition) Chapter VII Technical Specification</i> in terms of water and soil conservation, pollution prevention and control, vegetation protection, etc., and required the construction party to carry out civilized construction, dispose of engineering wastes in time, and use environmentally friendly maintenance materials to avoid ecological damage. During the construction of the reconstruction and expansion project of the GNSR Expressway, we regularly hired third-party organizations to carry out environmental monitoring work, no environmental protection indicators below standard and no environmental pollution incidents.
After the project	We have established the goal of 100% reclamation and greening of the land occupied by reconstruction and expansion projects. We plan to adopt greening technology to reclaim and green the land temporarily occupied during the construction process, improve the quality of the land, and regularly monitor the reclamation and greening area to ensure that its ecological function is effectively restored.

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OPTIMIZE THE DESIGN OF MOUNTAIN SECTION OF GNSR EXPRESSWAY RECONSTRUCTION AND EXPANSION PROJECT TO REDUCE EARTHWORK

The GNSR Expressway Reconstruction and Expansion Project passes through mountainous and hilly areas. In order to meet the horizontal and vertical alignment parameters, the traditional approach primarily involves widening the overall structure, which will occupy more basic farmland and new land, and will also bring a lot of earthwork excavation. The team actively coordinated with industry authorities and industry experts, on the basis of meeting the specifications, repeatedly compared and demonstrated multiple schemes, straightened out the bends, optimized the route, and improved the utilization rate of old roads, saving about 150 mu of basic farmland occupation and new land, and avoiding about 0.5 million m³ of earthwork excavation.



An example of route optimization design



THE GNSR EXPRESSWAY RECONSTRUCTION AND EXPANSION PROJECT ADOPTS THE LANE MARKING GRADIENT SPLICING SCHEME TO REDUCE THE TRAFFIC IMPACT.

The GNSR Expressway Reconstruction and Expansion Project connects the West Second Ring Road Expressway with 5 new lanes on the south side. The original scheme adopted the lane transition design, requiring to join to the West Second Ring Road Bridge. It would be a difficult project, occupying basic farmland and affecting the existing routes. Through technological innovation and external coordination, we finally decided to adopt the connection scheme of lane line transition to avoid widening the Maoshan Bridge on the West Second Ring Road, which greatly reduced the traffic impact, reduced the safety risk and avoided the occupation of farmland.



Lane transition design of GNSR Expressway Project



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Maintenance an Ecosystem

Policy Statement of Ecological and Environmental Protection of Yuexiu Transport

Yuexiu Transport is committed to reducing the adverse environmental impact of its operation sites, and actively adopts effective measures to reduce the environmental risks related to ecosystem and biodiversity during the construction and operation of its projects.

Yuexiu Transport promises within the scope of all operations that:

- Do not develop and operate any project in strict protection zones, such as world heritage sites and natural reserves.
- All projects pass environmental impact assessments and obtain land use permits, e.g. land use right certificates.
- Reduce environmental impacts of the construction of its projects, actively adopt necessary measures to ease the environmental disturbance of the projects, including but not limited to:
 - ✓ Designate ecological no-disturbance areas according to the results of the environmental impact assessment if required by the ecological and environmental protection departments.
 - ✓ Develop site-specific plans according to local conditions to restore or rehabilitate disturbed areas with various approaches, such as reintroduction of diverse local flora and fauna.
 - ✓ Design special environmental protection infrastructure (e.g., ecological access in the forms of raised or underground pipelines or cross-over bridges) in the project design plan when necessary in order to minimize the disturbance to the ecosystem.
 - ✓ Monitor and address changes in local eco-systems along expressways constantly during the project operation, tackling problems such as invasive species, insect pests, and plant withering in time.
 - ✓ Sustainably manage the use of natural resources and raw materials, improve water efficiency, and the use of construction materials such as asphalt.

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- Fully identify potential environmental impacts before a project is approved and developed, and employ necessary measures during formulation of related policies or the project design to protect the environmental rights and interests of the surrounding communities, including but not limited to:
 - ✓ Conduct community research and impact assessment extensively, by interviews and questionnaire survey with local residents, invite industrial experts to study and assess the impacts of projects, in order to fully understand the potential adverse impacts on the surrounding ecological environment, as well as the interest appeal and opinions of local community on environment protection.
 - ✓ When formulating policies and action plans regarding to environment protection issues such as biodiversity protection, invite stakeholders, including local community residents and industrial experts to participate, and proactively follow the leading environment protection standards such as the UN Convention on Biological Diversity and relevant guides by World Wide Fund for Nature (WWF).
 - ✓ Establish communication channels such as hotlines and email for local communities to enhance the community participation in environmental protection issues of projects, and set up a community council with local community representatives and external parties to fully consult opinions on issues of biodiversity and the protection of the community's rights and interests and jointly verify the protection of biodiversity.

Highlight data

In 2023, the Group had no violations of laws and regulations in the field of environment.

Biodiversity Conservation

For biodiversity conservation, we strictly abide by relevant laws and regulations such as the *Law of the People's Republic of China on the Protection of Wildlife*, as well as policy documents such as the *Red List of China's Biodiversity* and the *China National Biodiversity Conservation Strategy and Action Plan*. We pay attention to the protection, monitoring and research of biodiversity during the construction and daily operation of the project, and require our project to strengthen the biodiversity impact assessment in accordance with the requirements of the environmental impact assessment policy, so as to ensure that the impact of the construction project on biodiversity is minimized.

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When planting on road slopes, we will avoid the situation of planting a single species of plants and maintain suitable diversity. At the same time, we commit to planting indigenous vegetation such as pine and cypress for later replacement to avoid the occurrence of biological invasion at all reclamation sites.

Water Resources Protection

In 2023, Yuexiu Transport strengthened the protection of water resources from the aspects of engineering design and management improvement. We regularly carried out water body inspection, inspected the water pollution along the road and the sewage treatment work along the road, timely controlled the possible impact of sewage, and minimized the interference of sewage in the road operation process to the nearby environment.



WATER SOURCE PROTECTION MEASURES FOR RECONSTRUCTION AND EXPANSION PROJECT OF GNSR EXPRESSWAY

In the process of road engineering design and construction of the GNSR Expressway Reconstruction and Expansion Project, the impact on environmental sensitive points has been fully considered. Considering that the project passes through two secondary water source protection areas, a series of water resources protection measures have been integrated into the design stage to avoid damaging the water ecology or causing water pollution. First of all, in order to improve road safety, we have raised the level and height of the guardrail and installed an anti-drop net to intercept falling objects from the road, prevent vehicles and pedestrians from crossing the road guardrail, reduce the impact from the water source area, and reduce the risk of water pollution caused by road operation. Secondly, we have set up a road surface collection system and sedimentation tank to collect and precipitate oil and other pollutants on the road, preventing pollutants from entering the water body, and thus protecting water resources. In the process of project management and implementation, we employed a third party to carry out water protection monitoring, and at the same time established a sound environmental emergency response plan. In the event of road pollution, we will ensure that external professional organizations will be engaged to completely eliminate water pollution and reduce the impact on water environment. In addition, we have also equipped alterable information boards, warning signs and other marking facilities along the road sections and key points, timely release and update prompt information to drivers, remind them to pay attention to traffic safety, so as to reduce traffic accidents, ensure the safe and smooth operation of roads, and protect the ecological environment.

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Highlight data

During the reporting period, we carried out 100% simultaneous vegetation inspection, soil erosion inspection and water pollution inspection in the red lines area along the road.



GNSR EXPRESSWAY RECONSTRUCTION AND EXPANSION PROJECT TO CARRY OUT FOREST PROTECTION

During the implementation of the GNSR Expressway Reconstruction and Expansion Project, the natural trees along the road were thoroughly investigated and effectively protected according to local conditions. 1,052 urban trees and 7,106 road protection trees were sorted out along the road, and a special chapter on forest protection was compiled. Among them, qualified trees are used as landscape plants in the construction.

Daily Greening Maintenance

Yuexiu Transport attaches importance to daily greening road maintenance. We carry out regular maintenance and management of the green belts on both sides of roads in strict compliance with the related requirements for highway greening and environmental protection outlined in the *Technical Specifications for Highway Maintenance*.

All subsidiaries of Yuexiu Transport have signed agreement with professional third-party vendors to carry out daily maintenance on the plants and regularly trim all vegetation along the roads, overpasses, and toll station areas so as to ensure that the growth of vegetation meets the greening standard, and to maintain the ecosystem along the roads. In addition, we require all subsidiaries to carry out regular ecological inspections of all roads, inspect the growth conditions of vegetation within the road median strips, shoulders, slopes, interchanges, and toll station areas, and find and identify various problems in a timely manner to ensure the healthy growth of greenery. We attach importance to pest control, implement comprehensive prevention and control policies that combine biochemical solutions and forest management measures, reduce the use of chemical pesticides as much as possible, regularly water, prune, and fertilize trees, and maintain the ecological health of greening areas.

Highlight data

In 2023, the length of the landscape green belt of the expressway was 779.14 km.

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EXPLORING GREEN FINANCE

In the trend of globally advocated green economy and low-carbon transformation, investors have increasing demands for green finance and low-carbon investment. The multi-level green financial products and market system are gradually improving and ESG performance-oriented green finance will bring new development opportunities for the enterprise to broaden their financing channels. Green finance is not only an important means to deal with climate change and challenges but also an important way to promote the sustainable development of our company. Yuexiu Transport will actively explore the development of green finance, grasp the opportunities of green capital in future investment and financing activities, seize green opportunities, accelerate the upgrading of its products and services, and promote its sustainable development. We actively cooperate with financial institutions to meet the needs of the market and investors by participating in financial products such as green funds and green bonds. We also use our professional advantages to provide customers with more green travel solutions to help them achieve low-carbon transformation.

Yuexiu Transport actively embraces the development of green finance and integrate it into our business activities to achieve our sustainable development goals, to gain a foothold in the market and win competitive advantages in the future.

QUALITY-ORIENTED • LEADING INTELLIGENT AND SMOOTH TRANSPORT



QUALITY-ORIENTED • LEADING INTELLIGENT AND SMOOTH TRANSPORT

Yuexiu Transport advocates the safety culture of “ensuring safety and smoothness means ensuring efficiency” and knows that the increasing expressway traffic flow represents a higher standard for the ability to maintain a smooth flow of roads. We are committed to creating a smooth road environment, offering excellent road services, building a smooth, safe, comfortable, and beautiful traffic environment, and boosting national rapid roads.

SDGs Topics



Overview of Related ESG Issues and Management Practices in 2023

Related ESG issues	<ul style="list-style-type: none"> ➤ Road quality and safety in operations ➤ Health and safety ➤ Smooth traffic ➤ Service quality and complaints handling ➤ Information security and privacy protection
Strategy	Ensure the quality, safety and smooth traffic flow on roads, and improve operational capacity and service quality
Action	<ul style="list-style-type: none"> Strengthen safety management system and capacity building Strengthen the investigation and management of hidden dangers Safety and smoothness of major holiday nodes Promote safety lean management Construct demonstration zones Deepen emergency management
Outcome	<ul style="list-style-type: none"> Safety inspections and trainings were offered Hidden hazards were identified and addressed The safety goal of “five zeros” has been achieved
Improvement	Improve road quality, standardize safety management measures, offer quality road services, and assure smooth flow of roads

QUALITY-ORIENTED • LEADING INTELLIGENT AND SMOOTH TRANSPORT

IMPLEMENT SAFETY MANAGEMENT

Yuexiu Transport is committed to providing healthy and safe workplaces and travel channels for employees, contractors, drivers and passengers. Yuexiu Transport strictly abides by the *Work Safety Law of the People's Republic of China* and other laws and regulations. Yuexiu Transport has formulated a set of safety management rules such as the *Measures for the Management of Work Safety Responsibility of Yuexiu Transport Infrastructure Limited*, *Measures for Investment on Safety of Yuexiu Transport Infrastructure Limited*, *the Safety Risk Classified Control Work Guide of Yuexiu Transport Infrastructure Limited (Trial)*, and regularly reviewed and updated. We aim to establish a unified, efficient and comprehensive safety management system covering all employees and contractors within Yuexiu Transport.

Highlight data

In 2023, Yuexiu Transport's investment in safety production amounted to RMB31.846 million, representing an increase of more than 40% over last year.

Safety Regulatory Framework

Yuexiu Transport attaches great importance to safety production management and has established a three-level safety supervision system centrally managed by Yuexiu Transport headquarters. The Board is the highest decision-making body for health and safety issues, and the Chairman is the highest person responsible for health and safety. The Board has established an Environmental, Social, and Governance Committee to manage and supervise environmental, social, and governance issues, including the safety practices of the Company. We have also set up the Work Safety Committee (the "Safety Committee"). The General Manager of the Company chairs the committee that manages the strategy and performance of health and safety and reports regularly to the Board. We established a corresponding Safety Committee system at the subsidiary level, implement the safety production management at the subsidiary level, and regularly report the work to the headquarters safety committee. The labor union undertakes the supervision function of safety production, regularly puts forward suggestions on the system and policy of Yuexiu Transport, and comprehensively supervises and coordinates the health and safety work of the Company.

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Yuexiu Transport Safety Supervision System

Board of Directors

As the top decision-making body of the health and safety policies of Yuexiu Transport, the Board reviews and monitors Yuexiu Transport's policies and performance of work safety on a regular basis by evaluating safety management reports from the Safety Committee.

The Board has participated in the management of health and safety work. We have appointed our chairman of the Board as the first responsible person for corporate work safety and occupational health, who has overall responsibility for the work safety and occupational health of Yuexiu Transport, and has set out the relevant work responsibilities in the *Measures for the Management of Work Safety Responsibility of Yuexiu Transport Infrastructure Limited*. At the same time, one of our executive directors is also in charge of the work related to the health of employees.

Safety Committee

Responsible for implementing the major policies of work safety, deploying, guiding and supervising the work safety of Yuexiu Transport, coordinating and solving major work safety issues. The chairman of the Safety Committee is the General Manager of Yuexiu Transport (representative of the first responsible person), who reports to the Board of Directors on safety management on a quarterly basis, and presents the safety management performance of employees and contractors, including the progress made in safety education and training, the number of potential safety hazards and the rectification rate.

At the same time, subsidiaries have established own Safety Committees. All subsidiaries have set up safety management departments with full-time safety management personnel.

Safety Committees of Subsidiaries

Responsible for implementing the work safety management and accepting guidance and supervision from Yuexiu Transport's Safety Committee.

Labor Union

As a work safety supervision body, Yuexiu Transport's labor union supervises work safety in accordance with the law, including providing regular feedback on the formulation or modification of the Company's work safety management systems, monitoring and providing suggestions on the simultaneous design, construction, production and use of safety facilities and main projects of major construction projects.

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In order to further clarify the responsibilities of each level in the management of safety production issues, Yuexiu Transport made some amendments to the *Management Measures for Safety Production Responsibility System of Yuexiu Transport Infrastructure Limited* in 2023, requiring the Board and the Party Committee of the Company to attach great importance to safety production into the daily agenda. The Party Committee conducts semi-annual studies on production safety, and the Board hears and scrutinizes safety work reports on a quarterly basis. In addition, the general manager shall hold regular safety production meetings attended by the heads of all departments to ensure the further promotion of safety production. In 2023, the Board heard a total of four safety work reports. In view of the overall situation of safety production, work effectiveness, progress of key work at each stage, existing problems and challenges, as well as the implementation plan for the next stage, the Board conducted comprehensive supervision and review to ensure the implementation of top-down management and supervision of safety production.

“1441” Work Safety System

In 2023, Yuexiu Transport unswervingly promoted the “1441” work safety system to fully advance the continuous optimization and upgrading of safety management.

“1441” WORK SAFETY SYSTEM

- “1”: Developing one safety culture – Including establishment of employee work safety awareness, corporate safety culture, safety development concept and other related work;
- “4”: Developing four safety management systems – Organizational management system, institutional system, work safety standardization system, and education and training system;
- “4”: Developing four safety management capabilities – Safety management capability, hierarchical safety risk prevention and potential hazard screening capability, emergency response capability, and safety assurance capability;
- “1”: One assessment mechanism – Formulating work safety responsibility assessment programs and clarifying assessment checklists, conducting assessments on subsidiaries semi-annually and issuing public notice, so as to give full play a guiding role of the assessment on the safety work.



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Construction of Safety Management System

- **Work safety responsibility system**

Yuexiu Transport has established a work safety responsibility system and formulates a work safety responsibility assessment program every year. Safety assessments are also conducted to analyze the completion of work safety responsibility objectives, work safety responsibility performance, and on-site safety management of all subsidiaries. At the same time, Yuexiu Transport headquarters sign a work safety responsibility letter with the first responsible person in charge of the work safety of each subsidiary every year, specifying the work safety objectives, work responsibilities, and accountability for the following year.

The Chairman of the Board, the Secretary of the Party Committee, and the General Manager of the Company are the first responsible persons for the safety production and occupational health of the enterprise and are fully responsible for the work safety and occupational health of the Group. The general manager of the Company is the representative of the first responsible person. The person in charge of the safety production of the Company is the directly responsible person for the safety production and occupational health, and is directly responsible for work safety and occupational health of the Group. Other persons in charge of the Company shall follow the requirements of “one post, two responsibilities” and are responsible for work safety and occupational health within the scope of responsibility. The annual remuneration of work safety responsible persons at all levels and responsible persons in charge, including the general manager, is related to the annual work safety performance of Yuexiu Transport and other factors through the above assessment mechanism.

In 2023, Yuexiu Transport organized the formulation of the *Guidelines for the Notification and Transfer of Work Safety Issues of Yuexiu Transport Infrastructure Limited (Trial)* to further strengthen the supervision and management of work safety, enhance the joint efforts of discipline supervision and safety supervision, and promote the implementation of responsibilities through accountability.

- **Standardization of work safety system**

Yuexiu Transport actively encourages all its subsidiaries to improve the health and safety system and obtain the certification for the Certificate of Level of Work Safety Standardization Construction for Transportation Enterprises (“Certificate”). The Certificate, authorized by the Ministry of Transport of the People’s Republic of China, requires the certified companies to have comprehensive health and safety management system. In 2023, the subsidiaries have achieved 100% coverage of the Ministry of Transport’s safety standardization certification for highway operation enterprises, of which 3 subsidiaries have obtained the first-level certification and 7 subsidiaries have obtained the second-level certification. Yuexiu Transport continues to strengthen its standardization of work safety, and continuously improves the level and effectiveness of its safety work.

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Capacity Building of Safety Management

Yuexiu Transport actively strengthens lean management, aiming to improve safety, quality, and efficiency. According to the three-year action plan for safety lean management, Yuexiu Transport has formulated a series of action plans and issued a list of safety lean management tools and management standards. Taking the GNSR Expressway Reconstruction and Expansion Project as the breakthrough point, we strive to build the GNSR Expressway Project into a demonstration area of lean safety management and comprehensively improve the level of safety management from point to area. In order to achieve this goal, Yuexiu Transport formulated lean management standards, such as the lean management standards of 6S Management Manual for Lean Management of Yuexiu Transport, Guidance Manual for Visual Management of Safety of Yuexiu Transport, and Safety Management of Standardized Dangerous Operations, and has set up a special working group and an expert advisory group to promote the construction of “safe construction sites” and strengthen first-line safety management. At the same time, Yuexiu Transport carried out in-depth front-line research and an in-depth understanding of the current situation of front-line safety production, strengthened supervision and guidance and continuously supervised safety and lean management to ensure that all measures took root. In addition, through continuous improvement and training, Yuexiu Transport strengthened the application of results, actively summarized and promoted lean management results, and formed a good atmosphere for continuous improvement. Yuexiu Transport has improved its safety management level in an all-around way and strived to create a safe, efficient, and green production environment.

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SAFETY LEAN MANAGEMENT OF GNSR EXPRESSWAY RECONSTRUCTION AND EXPANSION PROJECT



General Manager He Baiqing supervises and inspects the lean management of GNSR Company



Vice General Manager Zeng Liwen led a team to investigate the reconstruction and expansion projects of benchmarking enterprises both inside and outside the province



Visit the sample room of safe and lean management in the equipment room of the National Financial Center



The reconstruction and expansion management department promotes lean management in information construction and traffic guidance

In 2023, Yuexiu Transport continued to strengthen the guidance of intelligence, vigorously promoted the scientific and technological progress of safety production around the “14th Five-Year” Development Strategy, and improved the digital and intelligent ability of safety management. With the research of AI platform for early warning and rescue as the traction, efforts have been made by Yuexiu Transport to promote the intelligent early warning and emergency response system and capacity building of expressways. Also, relying on the intelligent platform of traffic integration, the application level of safety management module and “two passengers and one danger” management system is continuously improved. Moreover, we actively explore and practice the application of video surveillance technology, UAV technology and new equipment in safety supervision, so as to empower safety management and comprehensively improve the level of safety production.

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Safety Management Assessment Mechanism

Yuexiu Transport has further optimized and improved the assessment scheme and evaluation standards of the responsibility system for work safety in 2023. Specific measures include: for the annual safety work target of “four guarantees and five zeros”, the contents and requirements of the revised index assessment are broken down and refined one by one; the 216 assessment rules of 23 sub-items of 9 major items such as equipment and facilities, fire protection, maintenance of roads, bridges, culverts and tunnels, and operation safety are revised and improved; In combination of the actual construction of the reconstruction and expansion project of the GNSR Expressway, the safety assessment standard of the construction project is established. These measures are aimed at highlighting the process control of key work and key links, giving full play to the traction and promotion role of assessment, and continuously deepening the implementation of the main responsibility of safety production.

In 2023, Yuexiu Transport adheres to the concept of safety development throughout the whole process of operation. Under the leadership of the Party Committee and the management team of the Company, it regularly studies and deploys the work of safety production. The leaders of the Company take the lead in performing their duties, and the responsible persons of the Company and its subsidiaries lead the team to carry out 263 safety inspections in the front line, so as to promote the work of safety production.

Construction of Safety Culture

In 2023, Yuexiu Transport continued to deepen the construction of safety culture and create a safe production atmosphere with the “Four Ones” as the driving force.

Four ones	Practical action
1 Propaganda activity	Closely combine the theory of safety culture with the practical work of safety production, organize a propaganda activity, deeply study and practice, firmly establish the concept of safety development, carry forward the main theme and spread positive energy.
1 Safety survey	The leaders in charge of safety production of each subsidiary shall organize and carry out safety production research, and form research reports and work measures to solve the key and difficult problems of safety production of the unit, so as to ensure effective results.
1 Safety Culture Manual	Focus on learning and publicizing the safety culture concept of the Group and the Company, gather consensus, compile a safety culture manual, and continue to promote the construction of “safe transportation”. Each subsidiary is required to build a safety culture demonstration site to form a demonstration-driven effect.
1 Safety Competition	Organize a series of safety culture activities such as “Safety Production Month” and “Ankang Cup”, organize a safety knowledge and skills competition, make safety culture close to employees, mobilize their enthusiasm and create a strong safety atmosphere.

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By holding the kick-off meeting of “Safety Production Month”, the Company fully deployed and mobilized all kinds of safety production work, and won the second place in the safety knowledge contest of Yuexiu Group, which led all subsidiaries to focus on the theme of “everyone talks about safety and everyone knows how to deal with emergencies”. We carefully organize and carry out various safety cultural activities such as “Safety Commitment Fulfilment”, “6.16 Safety Publicity and Consultation Day”, “Fire Safety Month” and safety knowledge competition to create a good atmosphere for everyone to talk about safety.



JINFU COMPANY, GNSR COMPANY AND OTHERS JOINTLY HOLD “ANKANG CUP” SAFETY KNOWLEDGE COMPETITION

On June 20, 2023, Jinfu Company, GNSR Company and others under Yuexiu Transport jointly held a unique “Ankang Cup” safety knowledge competition, with the participation of six teams. The purpose of the activity is to vigorously promote the Company’s safety culture and create a safe production atmosphere of “catching up with and surpassing learning”. A total of six teams participated in the competition.

This “Ankang Cup” safety knowledge competition has created a good mode of communication, learning and promotion among the subsidiaries of Yuexiu Transport, publicized and promoted the safety activity theme of “everyone talks about safety, everyone knows how to deal with emergencies”, expanded the influence of safety production awareness, and achieved the overall effect of safety education, safety competition and safety promotion.



Group photo of participants



The competition scene

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In 2023, Yuexiu Transport strengthened the construction of safety culture positions, enriched propaganda and education carriers, and carried out emergency drills, experiential safety education training and warning education.

YUEXIU (HUBEI) COMPANY CONSTRUCTS “AI SAFETY VISUAL INTELLIGENCE EXHIBITION HALL”

The AI Safety Visual Intelligence Exhibition Hall of Hancui Management Center of Yuexiu (Hubei) Company integrates fire safety education exhibition, interaction, practice and training. It includes fire fighting equipment display wall, fire sign recognition system, simulated fire extinguishing system and emergency disposal process propaganda and other equipment, displaying all kinds of common fire fighting facilities and equipment in daily life. It sets up various fire signs, sign icon learning systems and testing links, to present the flow chart of emergency response, which makes employees familiar with and understand the Company's fire fighting equipment, identification, emergency response process, and experience various fire fighting scenarios in the simulation system, learn self-rescue and rescue skills. By the above measures to foster awareness and promote self-practice, we make employees master scientific and effective emergency response methods, and minimize the serious consequences of accidents and disasters.



AI Safety Visual Intelligence Exhibition Hall



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In addition, Yuexiu Transport also organizes safety work exchanges, shares safety work experience and lean management cases, in order to innovate safety management means and prevent and mitigate risks. In the aspect of safety training, we strengthen safety skills training, carry out skills training covering cardiopulmonary resuscitation (CPR), hemostasis, rapid escape for fire, earthquake and other emergencies, and constantly improve the safety skills of employees. In the aspect of safety culture propaganda, safety culture is deeply rooted in the hearts of the people by designing safety production propaganda slogans, posters, blackboard newspapers, distributing safety propaganda leaflets and broadcasting propaganda videos.

Yuexiu Transport encouraged the employees of the Group to actively participate in Yuexiu Group's safety emergency skills competition, and employees achieved excellent results in competitions, fully reflecting the effectiveness of emergency response skills and safety activities.

GNSR COMPANY PARTICIPATES IN 2023 SAFETY EMERGENCY SKILLS COMPETITION

On behalf of Yuexiu Transport, 17 contestants from GNSR Company participated in the 2023 Safety Emergency Skills Competition of Yuexiu Group, and won champions in three items, second place in two items and third place in three items, and won the Best Fashion Award of Group Competition Project. Through point-to-area activities, it enhances safety and emergency response skills and positively promotes a permanent safety culture.



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Highlight data

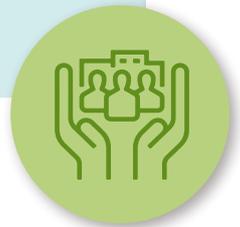
In 2023, a total of 286 special safety education and training sessions were conducted in the system, 10,434 participated, and 122 new employees completed the induction safety education to ensure full coverage of safety education and training for all staff.



Safety Education and Training



Safety Education and Training



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Safety Management of Related Parties

Yuexiu Transport includes the safety management of related parties in the Group's work safety management system. In 2021, the Company revised its *Guidelines for Safety Management of Contractors of Yuexiu Transport Infrastructure Limited*, specifying the contractor's work safety responsibilities and the supervisory responsibilities of the management department and performing audits on the safety standards and measures of contractor employees. At the same time, we signed the *Safety Agreement* with our contractors, requesting them to provide all employees with safety training and regularly check the compliance of their training records, training times, and materials. We also arranged for contractors to participate in the training programs organized by the Group. Furthermore, we have included the safety work of our contractors in the work safety performance assessment indicators and included "zero production safety liability accidents with contractor fatalities" into the "five zeros" work safety objectives.

Yuexiu Transport actively provides guarantees in terms of system, process and resources to ensure that relevant parties do well in their own safety management.

- **Mobilization:** formulate the *Guidance Manual for Safety Management of Related Parties* and the *Guidance Manual for Management of Hazardous Operations* to provide clear safety management requirements and operating procedures for related parties. Standardize the performance inspection, implement the safety technical disclosure, and ensure that the relevant parties understand and comply with the safety production regulations. Establish a safety management ledger, strengthen data review and control and ensure that the safety production materials of relevant parties are complete, accurate, and compliant.
- **Operation:** In view of the key and difficult points of the project maintenance and construction, strengthen and explain the specific management requirements and safety technical measures of the key links to the relevant parties. Assist relevant parties to optimize the management and control process of dangerous operations, clarify the division of responsibilities, and ensure that all safety measures are in place. Strengthen on-site operation risk control and hidden danger rectification to ensure the implementation of objectives and the effectiveness of measures.
- **Acceptance:** Joint supervision mechanism and law enforcement, strengthen supervision and inspection, comprehensively use management means such as punishment, rectification, interview, shutdown and rectification, and resolutely curb the occurrence of production safety accidents of relevant parties. Strictly check and accept the completed projects to ensure the safety of the projects.

Through the safety management measures in the three links of mobilization, operation and acceptance, Yuexiu Transport is committed to improving the quality of safety management of relevant parties, creating a safe production environment, and escorting the sustainable development of the Company.

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WORK SAFETY TRAINING FOR RELATED PARTIES

In 2023, Yuexiu Transport continued to deepen the safety production management of relevant parties, with the Group's system safety production training covering a total of 796 person-times of related party personnel. Safety production training is a combination of regular monthly safety meetings and special training, covering such aspects as "resumption of production", road construction safety, mechanical and electrical safety, construction safety in high temperature and cold weather, and fire emergency management, and listening to feedback from relevant personnel in the form of training effect evaluation form, so as to continuously optimize training form and content, and comprehensively improve the safety production training system of relevant parties.



Monthly safety meeting of related parties



Carry out maintenance and construction safety training meeting with Yuenan Company and senior police



Safety education and training site for road-related construction



Watch the "resumption of work and production" warning film together



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Safety Management Performance and Objectives

Safety production objectives

In 2023, Yuexiu Transport firmly adheres to the safety bottom line of “Four Ensures” and the safety goal of “Five Zeros”, and is committed to ensuring that employees and related personnel achieve the goal of zero production safety death liability accidents.

“FOUR ENSURES” SAFETY BOTTOM LINE AND “FIVE ZEROS” SAFETY GOALS

- **“Four Ensures”**

1. Ensure no major production safety accidents;
2. Ensure no major food safety accidents;
3. Ensure no major environmental emergencies;
4. Ensure no major internal security liability accidents.

- **“Five Zeros”**

1. Zero employee deaths and production safety liability accidents;
2. Zero production safety liability accidents involving the death of personnel of a related party;
3. Zero general food safety accidents with a single poisoning of more than 30 people and no fatal cases;
4. Zero other responsible accidents with a direct economic loss of more than RMB1 million;
5. Zero general environmental emergencies resulting in death, or poisoning or serious injury of more than 3 people due to environmental pollution.



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Safety production indicators

Health and Safety Indicators	2023	2022	2021
Number of work-related deaths (person)	0	0	0
Work-related death rate (%)	0	0	0
Number of work-related injuries (times)	0	0	0
Total days of injury due to work-related injury (days)	0	0	0

Safety Risk Management

Yuexiu Transport actively carries out normal safety risk and hidden danger investigations and manages them to improve road traffic safety. In 2023, we combined the working mechanism of “one line and three rows” and the *Safety Hidden Danger Investigation Manual* to improve the efficiency of hidden danger investigation and treatment; we paid special attention to the key areas of expressways, such as road sections, facilities and traffic safety facilities, and continued to carry out hidden danger investigation and treatment in the management of related parties, construction operations, fire safety, electricity safety, gas safety, road, bridge and tunnel diseases, etc. At the same time, we should strengthen inspection and supervision, introduce external experts to participate in routine inspection and assessment of the responsibility system for work safety, and prevent hidden dangers from leaking out of control. We rectify the list of hidden dangers to ensure the closed-loop management of rectification work, clarify the person responsible for the difficult problems, formulate the rectification plan, and implement follow-up supervision.

Highlight data

In 2023,

- Carry out 824 safety inspections within the Company system
- 1,321 items for discovering and rectifying hidden dangers
- Rectification completion rate 98%

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Yuexiu Transport continued to strengthen emergency management in 2023, and its actual combat disposal capability continued to improve. On the one hand, Yuexiu Transport adhere to regularly organize and carry out “double-blind” emergency drills, test plans, run in teams, and enhance staff safety awareness and emergency escape and rescue skills. On the other hand, when dangerous situations occur, companies are well-trained, respond quickly, respond in an orderly manner, and deal with all kinds of safety accidents. In addition, we should pay attention to safety drills and conduct comprehensive safety emergency drills jointly with local government units to improve the level of emergency response.



“DIGITAL PILOT OF INFRASTRUCTURE AND SAFETY EMERGENCY OF TRUNK HIGHWAYS IN SERVICE” SUBJECT

The subject of “Digital Pilot of Infrastructure and Safety Emergency of Trunk Highways in Service” is the first national scientific research project obtained by Yuexiu Transport in the Ministry of Transport, which takes the Daguangnan Expressway in Hubei Province under the jurisdiction of Yuexiu Transport as the pilot section to carry out the pilot application of safety and emergency digitalization. It covers the construction of integrated risk monitoring and early warning system, the development and application of AI platform for early warning and rapid rescue, and the digitalization and standardization of the whole process of emergency disposal. The research results of the project have been implemented and applied in Daguangnan Expressway. By the end of 2023, the project has completed the pre-acceptance by the Hubei Provincial Department of Transportation and has been put into use, the expected objectives have been completed, the technical achievements have been improved, and the pilot results have been remarkable. The digital management of the whole process of safety and emergency response of “advance warning in advance, emergency disposal guarantee in the event, filing and evaluation in the event and after the event” and the overall management and control of the whole life cycle of the mechanical and electrical facilities in the road section were realized.

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ENSURING SMOOTH TRAFFIC FLOW

Yuexiu Transport attaches great importance to road safety, and strictly abides by the *Law of the People's Republic of China on Road Traffic Safety* and other Chinese laws and regulations, as well as all road safety management regulations where the projects are located. The Company ensures the safety of all its roads, employees and related parties, provides high-quality and convenient services, and promotes the development and progress of regional transportation and the local economy.

Optimizing Road Quality

Yuexiu Transport attaches great importance to road quality and traffic safety, and abides by the relevant laws and regulations such as the *Highway Law of the People's Republic of China*, the *Measures for the Management of Highway Maintenance*, and the *Evaluation Standards for Highway Technical Conditions*. Furthermore, Yuexiu Transport has formulated a set of rules and regulations according to the condition of inspections and special audits, such as the *Expressway Maintenance Management Comprehensive Inspection Implementation Method of Yuexiu Transport Infrastructure Limited (Trial)*, the *Management Measures for Completion (Delivery) Acceptance of Highway Maintenance Works of Yuexiu Transport Infrastructure Limited*, standardized the governance structure, technology application and project management of road maintenance, and clarified the responsibilities and authorities of Company headquarters and subsidiaries, and specified the management processes and content.

Ensuring Road Safety and Quality

Yuexiu Transport is committed to providing drivers and passengers with a convenient and smooth road service. For the sections with increasing traffic demand, we implement reconstruction and expansion projects and continuously optimize the road facility to improve travel experience so as to ensure the road quality and smooth travel experience of drivers and passengers.

According to the planning of the reconstruction and expansion project of the GNSR Expressway, in line with the principle of "safety, smoothness and normal traffic", we ensure the smooth progress of construction and the normal traffic of vehicles, adhere to the principle of ensuring safety and maximizing traffic capacity, and effectively implement the reconstruction and expansion project and the operation and management of the Company without any delay. The *Overall Work Plan for Ensuring Safety and Smoothness during the Reconstruction and Expansion of the Whole Line of Guangzhou City North Second Ring Transport Technology Company Limited* is hereby formulated. The plan clarifies the general principle of ensuring safety and smoothness. During the reconstruction and expansion of road-related construction, the driving safety of operating vehicles must be guaranteed, and the safety of construction vehicles and personnel must also be guaranteed. Effective measures shall be taken to ensure that the traffic is not interrupted. In principle, diversion shall not be carried out. When diversion is necessary, the shortest impact time and the shortest diversion mileage shall be considered to reduce the impact on road traffic, reduce the impact on operating income and ensure the normal passage of vehicles.

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THE GNSR EXPRESSWAY RECONSTRUCTION AND EXPANSION PROJECT ADOPTS THE INVERTED L-SHAPED PIER REPLACEMENT SCHEME TO ACHIEVE ZERO TRAFFIC INTERRUPTION IN THE ROAD SECTION

For the GNSR Expressway reconstruction and expansion project in the Taihe interchange section expansion program, under the existing South China Express mainline bridge pier 5 and pier 7, the distance between the two piers is 42m, not enough to spell 50m roadbed width requirements. The north side of the separation of the widening requires an increase in the land of 30 acres, making the route capacity poorer. After continuous optimization of the proof, we innovatively put forward an unconventional design of the inverted L-shaped pier replacement program. With the old and new pier system conversion as the key of technology, the 2 submillimeter precision jacking of jack and intelligent heightening of bearings are combined, as the first time to apply in the domestic expressway expansion project. By adopting this program, we can occupy less land, use more old structures, construct the whole process without interrupting traffic, and avoid setting up temporary support.



Overall Schematic Diagram of North 2nd Ring Road Underpass South China Expressway



The inverted L pier replacement scheme of overall widening is adopted for the main line bridge of GNSR Expressway undercrossing China South Expressway



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Through Zhitong platform, we carry out space-time analysis for accident-prone areas, and conduct in-depth analysis of abnormal driving behavior, in order to tap potential safety hazards. By integrating the information data of navigation software, the abnormal driving characteristics such as sharp lane change, rapid acceleration, rapid deceleration and overspeed are identified, the potential safety hazard points are excavated to generate the risk thermodynamic map, the abnormal accident-prone areas are identified, and the dynamic and multi-dimensional analysis is carried out. Pre-safety risk data analysis provides strong support for road optimization, guiding us to change signs, modify long solid lines, build shelters and so on, so as to reduce the frequency of traffic accidents.



Thermodynamic map of potential safety hazards of Zhitong platform

Highlight data

In 2023,

- The traffic accident rate of each operating section is less than 0.01%, and there are no liability accidents and major and above traffic accidents;
- The number of vehicle rescue services of the project under management is 5,599 times;
- The R&D and innovation investment in optimizing road quality is RMB58.6996 million.

Improving Road Repair and Maintenance Effect

During the road maintenance, Yuexiu Transport insisted the principle that project quality was the primary consideration of the project, and strictly controlled project construction material quality, construction quality and project safety. At the same time, we actively conducted research on road maintenance technology, improved road maintenance capabilities and guaranteed road quality through the application of new technologies.

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GNSR COMPANY INTELLIGENT PAVEMENT INSPECTION PROJECT HELPS INTELLIGENT PAVEMENT MAINTENANCE

GNSR Company proposes a life-cycle safety monitoring system for high slopes of expressways, which integrates UAV rapid inspection and disease identification technology with Beidou satellite positioning monitoring, UAV tilt photography technology and electronic sensor monitoring technology.

To promote the intelligent development of expressway maintenance equipment, we design and develop the expressway maintenance mechanization inspection edge intelligent system. It is based on in-depth learning of complex environment expressway disease intelligent identification algorithm, cloud computing based on massive multi-source data management cloud platform and GNSR Expressway intelligent maintenance management engineering application. The system has been applied to daily maintenance, realized the inspection application of GNSR Expressway Maintenance and Inspection Vehicle Equipment, Beidou, UAV and other equipment. The vehicle-mounted equipment mainly completes the sorting of the pavement disease data set through the selection of the vehicle-mounted camera and the video data acquisition, builds the YOLOv7 target rapid detection network, realizes the disease identification effect of the patrol video data. The system synchronously improves the real-time detection code of the pavement disease, adds the tracking algorithm to the uploaded video and real-time pictures, and counts the number and types of the real diseases. Now the pavement disease recognition model based on video data has been built and trained. Capable of capturing pavement diseases in real time. The use of intelligent pavement inspection system greatly improves the efficiency of inspection, reduces the cost of manpower, and improves the level of highway safety.

We collect data through intelligent equipment to accurately find expressway diseases, including pavement diseases, roadside traffic safety facilities, greening and other problems, and generate disease work lists and timely push them to maintenance units through Yuexiu Transport Intelligent Management and Maintenance Platform. The whole chain road infrastructure inspection and maintenance scheme of “intelligent inspection-image intelligent recognition-disease diagnosis-precise maintenance-dynamic tracking” is constructed to promote the network sharing, intensive integration and efficient utilization of the disease data of the GNSR Expressway. This technology achieves timely detection and feedback of problems, significantly reduces the cost of road patrol manpower, ensures the safety of personnel by achieving that “development must not be at the expense of human life”.



Construction of intelligent inspection and monitoring platform



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In 2023, Yuexiu Transport participated in the compilation of the group standard of the *China Transport Association, Design Guide for Preventive Maintenance of Expressway Pavement*. This standard stipulates the general rules, investigation and evaluation, design, and other contents of expressway asphalt pavement preventive maintenance engineering design. The standard can guide the design of preventive maintenance of expressway pavement, meet the technical needs of scientific maintenance of expressways in China, and contribute to the technical progress of preventive maintenance of asphalt pavement in China. At present, the review draft of the guidelines has passed the compliance review of the group standards.

CREATING QUALITY SERVICE

Yuexiu Transport attaches great importance to smooth traffic and has taken various measures to provide drivers and passengers with a comfortable and smooth travel experience. We continue to deepen the optimization of operations and management models such as online toll collection and non-stop electronic toll collection (ETC), and upgrading toll collection sites to ensure smooth roads and efficient operation.

Intelligent Road Service

Smart Road Operation

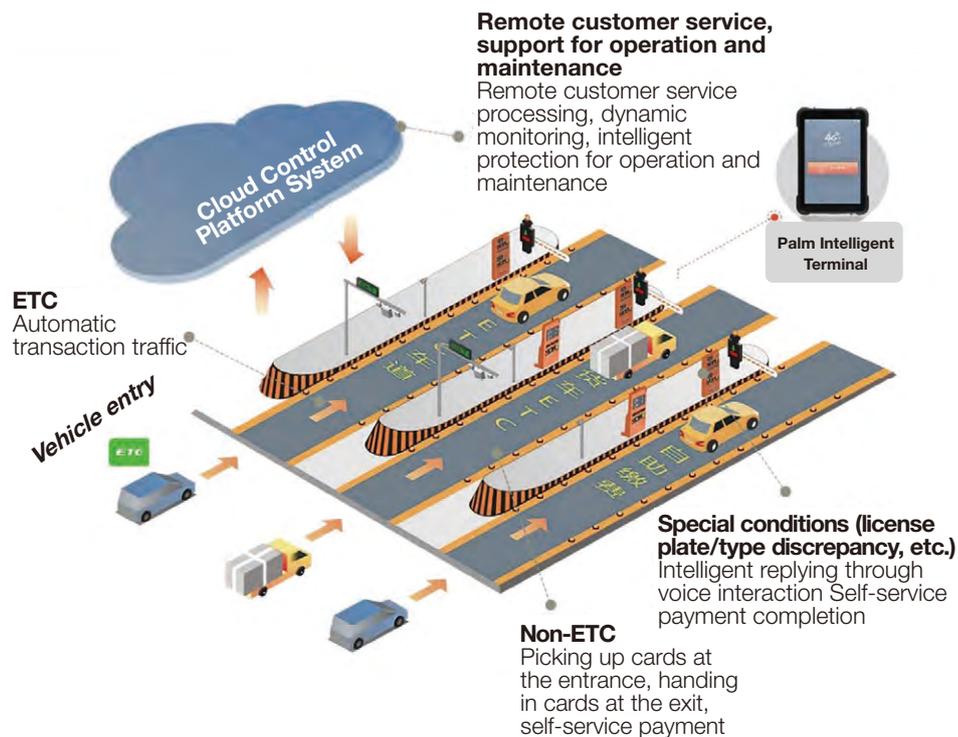
Since the “14th Five-Year Plan”, Yuexiu Transport has been adhering to the strategy of strengthening the country through transportation, devoting itself to building intelligent expressways through scientific and technological innovation, improving the efficiency of operation and management, reducing costs, realizing smoothness and creating value, and meeting the people’s needs for better travel.

In 2023, Yuexiu Transport continued to carry out research and development, promotion and application of intelligent toll collection equipment. Based on visual tracking AI one-stop service, Yuexiu Transport Intelligent Toll Collection Equipment integrates artificial intelligence technology, visual tracking AI and multi-sensor fusion technology, and consists of three modules: intelligent toll collection robot, palm intelligent terminal and cloud control platform.

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Feature highlights:

- The entrance and exit machine adopts the design of upper and lower double stations, which can adapt to all kinds of vehicles and ensure the charging efficiency;
- Export equipment large space card module, support WeChat, Alipay, ETC and other payment methods, to achieve efficient and convenient;
- Entrance self-service card issuing equipment uses AI video tracking technology to automatically identify license plates and vehicle type and issue cards quickly and accurately;
- Palm intelligent terminal provides comprehensive support for operation management, including toll plaza management, special situation processing, transaction inquiry and other services;
- The cloud control platform is deployed in the road monitoring center to monitor the operation status of equipment in real time, provide business reports, and realize remote assistance and multi-control through audio and video interaction.



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YUEXIU TRANSPORT INTELLIGENT TOLL COLLECTION EQUIPMENT OFFICIALLY LAUNCHED IN SUIYUENAN PROJECT

On October 18, 2023, Hubei Suiyuenan Expressway Company Limited successfully opened Yuexiu Transport Intelligent Toll Collection Equipment, marking the important progress of Yuexiu Transport in promoting the construction of intelligent transportation.

Yuexiu Transport takes its Hubei Suiyuenan Project as a pilot project for the development of intelligent transportation and closely combines with the strategic objectives of the “14th Five-Year Plan” for the development of highways in Hubei Province to promote the construction of intelligent expressways, guide the improvement of scientific and technological innovation capabilities of the industry, and achieve high-quality transformation and development. By using intelligent toll collection equipment in the Hubei Suiyuenan Company, Yuexiu Transport has demonstrated its innovative achievements and firm determination in the field of intelligent transportation.

Yuexiu Transport Intelligent Toll Collection Equipment has the functions of license plate identification, electronic payment, and self-service payment, which simplifies the toll collection process and improves traffic efficiency. The equipment adopts advanced technology and has high reliability, stability, and security, which can meet the intelligence and effectiveness needs of the highway toll collection business.

Yuexiu Transport continues to focus on cutting-edge technologies in the field of intelligent transportation, promote industrial innovation, and contribute to the construction of transportation infrastructure and economic and social development in China.



Opening ceremony



Unveiling intelligent toll collection machine



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Rapid Response to Accidents

The subsidiaries of Yuexiu Transport have continuously deepened the linkage and cooperation of “one road and many parties”, and built a four-in-one three-dimensional cooperative operation mode of “road, warning, maintenance and rescue” with the monitoring center as the information hub, so as to improve the efficiency of incident handling and response. In terms of bidding for vehicle rescue service projects, we strictly control the preparation of bidding documents, clarify the details of arrival time, stationing arrangement and emergency drills of special operation vehicles and equipment, ensure the quality of bidding, and promote the professionalization of rescue teams, rapid response and standardization of mechanisms.

Highlight data

During the reporting period:

- The average arrival time of the accident is 7 minutes and 30 seconds.
- The average handling time of accidents is 18 minutes and 54 seconds.

As an important carrier of intelligent application of Yuexiu Transport, the Yuexiu Zhitong Platform, launched in 2022, actively promotes the digital transformation and upgrading of Yuexiu Transport. By utilizing system-wide functions such as “Internet+” prediction to ease traffic congestion, AI-based anomaly detection, and quick triggering of emergency scheduling by the system, the primary tasks are to identify safety hazards, quickly detect incidents, efficiently coordinate and command, control the entire area, and predict traffic flows, thereby enhancing the ability to observe and manage road sections comprehensively.

- “Internet+” prediction to ease traffic congestion: By integrating map and ETC gantry data, the system supports short-time traffic flow prediction and realize congestion warning so as to aid the operator in taking relevant measures prior to the congestion, and reducing the loss due to congestion.
- Artificial intelligence: We deploy 85 video surveillance cameras with automatic monitoring function at GNSR Expressway, collect map and traffic data, floating sensing data as complementary monitoring of blind spots, and leverage deep learning of video detection algorithm to achieve quick detection of abnormal events.
- Quick triggering of emergency scheduling by system: After identification of abnormal events via AI technology, the system automatically acquires the information such as type of event, location, etc. On the basis of the emergency plan in the system, the information of the event may be distributed to relevant workers by one click to start the fast linkage processing process. The system app enables all workers to conduct real-time tracking of event handling so that the event handling efficiency is promoted.

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GNSR EXPRESSWAY COMPANY REALIZES ARTIFICIAL INTELLIGENCE VIDEO DETECTION FULL COVERAGE

The Zhitong system of GNSR Expressway Company was successfully launched, and the intelligent operation monitoring center was successfully completed. Relying on the video of 85 routes in the whole road section, the full coverage of artificial intelligence video detection was achieved, and the monitoring inspection was upgraded from manual 15-20 minutes/round to real-time full monitoring, which greatly improved the efficiency of event identification and promoted the intelligent and intensive innovation of the monitoring center.

As of the end of the reporting period, the average monthly active accident detection rate of the system increased to 98%; the total number of reported incidents was 79,179, and the detection accuracy rate reached 97.9%.



Abnormal stop identification



Accident identification



Identification of illegally occupied emergency lane



Vehicle retrograde identification



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Quality Road Service

Service for Drivers and Passengers

Yuexiu Transport is committed to providing excellent and reassuring travel services for drivers and passengers. We increased investment in facilities for renovation and update of the service area to meet the increasing demand for green travel and optimize the service experience. At the same time, we provide convenient services such as boiled water, driving guides and holiday gift packages for passing drivers, and continuously improve road service quality.

Yuexiu Transport attaches great importance to the development trend of green travel. In order to meet the charging needs of new energy vehicle owners, the Company actively carries out the upgrading and transformation project of charging piles in the service area. By increasing the number of charging piles, improving the charging speed and optimizing the layout of charging facilities, it can provide more convenient and efficient charging experience for car owners.

Highlight data

As at the end of the reporting period, a total of 2 power exchange stations and 139 charging piles were set up in the service areas operated by the project companies, of which 58 new charging piles were added in the reporting period, and the number of new energy vehicles in each service area increased to varying degrees.

In 2023, the subsidiary of Yuexiu Transport actively improved the service level of drivers and passengers:

- **Changzhu Company:** The training on toll policy publicity and lane software operation was carried out in an orderly manner for nearly 70 hours, and nearly 1,000 people participated in the training, which ensured that the policy was conveyed in place, the measures were implemented in place, the training coverage was in place, and the business foundation was effectively consolidated.

Highlight data

During the reporting period, all subsidiaries conducted customer satisfaction surveys on driving environment and service area experience, and the average satisfaction rate of drivers and passengers reached 98.6%.

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Handling Customer Complaints

Yuexiu Transport attaches great attention to the feedback of its customers, and considers their feedback as a continuous driving force for business improvement and development. Our subsidiaries have formulated a complete customer complaint handling mechanism, and have carried out customer complaint verification, investigation, report and feedback in an orderly manner, so as to properly handle customer feedback and guarantee service quality.

- Specialized management: We have established a complaints handling team, kept a detailed record of customer complaints, and resolved their issues in accordance with the relevant rules and regulations, together with the relevant departments within Yuexiu Transport;
- Quick Response: The operator understands the context of the complaint, thoroughly investigates the reason and proposes the preliminary handling measures, then submit them to the department head or leaders for approval;
- Timely feedback: We actively communicate with our customers and process their feedback within 3 working days, endeavor to reach an agreement in order to continue to improve our service quality;
- Optimized management: To better meet customer needs, we communicate with local government authorities and third-party service providers when necessary to handle customers' reasonable requirements.

Highlight data

During the reporting period, 62 effective complaints were received from customers, with a resolution rate of 100%.

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Ensuring Information Security

Yuexiu Transport actively implements national strategic planning, integrates informatization and intelligent development into the entire chain of transportation, including planning, construction, operation, supervision and other links. In order to protect the privacy and information security of Yuexiu Transport and its customers, we strictly abide by the *Cyber Security Law of the People's Republic of China* and other relevant laws and regulations, and formulate the *Information Management Measures of Yuexiu Transport Infrastructure Limited*, the *Measures for Information Security Management of Yuexiu Transport Infrastructure Limited*, and the *Emergency Response Plan for Cyber and Information Security of Yuexiu Transport Infrastructure Limited (Trial)*. We have implemented scientific and standardized whole-process management by adopting effective information technology, and improved cyber and information security in an all-round manner.

Yuexiu Transport has set up an information security committee. He Baiqing, the general manager of the Company, took the lead in organizing the inter-departmental group. The head of each project company is the first person responsible for information security of the project company. The committee is responsible for guiding the formulation of the Company's information security system, guidelines and policies, improving the information security responsibility management mechanism and assessing information security incidents. As the executive body of the Information Security Committee, the Information Security Working Group is responsible for promoting the efficient and effective implementation of the digitalization strategy, carrying out network and information security risk assessment, regularly carrying out daily information security work such as equipment security inspection and vulnerability rectification, coordinating the handling of various information security incidents and reporting to the Information Security Committee in a timely manner.

Yuexiu Transport, based on the technical standards of the *Basis Requirements for Information Security Technology Network Security Level Protection*, carried out assessment on information security level protection for infrastructure system and business system. As of the end of the reporting period, our assessment on information security level protection obtained level 2 certification, covering all road toll network and equipment exposed to extranet access.

In order to ensure information security, Yuexiu Transport, abided by the provisions on information technology innovation, sets up the internal information security mechanism such as zero trust, information encryption, traces, tamper-resistant, regulates the transmission channel of confidential document and trade secret, and forbids transmission via external software. It implements office network security standardized transformation, meanwhile purchases external equipment to ensure the security of information environment.

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Advanced security technology protects data	Restrict access to data
Cooperation with third-party security vendors	Conduct regular safety assessments
Develop an emergency response plan	Strengthen staff information security training

All-round protection of information security

In 2023, through the introduction of a security equipment firewall, we monitored and analyzed the network traffic in real-time, found and prevented potential threats in time, and ensured the security and stability of the Company's internal network. At the same time, in order to cope with the challenges of information security in key traffic periods, we have formulated a special safeguard plan to allocate human resources for emergency response, set up a contingency plan, and clarified the action process and reporting mechanism of emergency response. In this critical period, we should strengthen network security monitoring, strengthen security protection, and ensure the safe and stable operation of the Company's information system.

Highlight data

In 2023, Yuexiu Transport participated in five rounds of emergency drills of Yuexiu Group, relevant departments and regulatory units (including two rounds of no-inform drills). Yuexiu Transport performed well and was at a low risk level in the evaluation of each sector of Yuexiu Group.

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Protection of Customer Privacy

Yuexiu Transport attaches great importance to the protection of drivers' identity and personal information, ensuring the data collected is only used for internal operations management. In order to strengthen the confidentiality, integrity and availability of information assets, Yuexiu Transport strictly implements internal policies such as the *Measures for the Management of Access Control of Yuexiu Transport Infrastructure Limited (Trial)* and *Measures for the Management of Accounts of Yuexiu Transport Infrastructure Limited (Trial)*. Subsidiaries have also formulated management policies for their monitoring centers based on their own operating conditions, and devised strict regulations on information collection and release, video data management and other related work. In 2023, we formulated the *Privacy Policy of Yuexiu Transport Yuechangxing Mini Program* for "Yuechangxing" Mini Program, which clearly stated our management principles for the collection, use, sharing, entrusted processing and storage of customer information, emphasized the protection of users' personal information, and fully respected users' privacy rights.

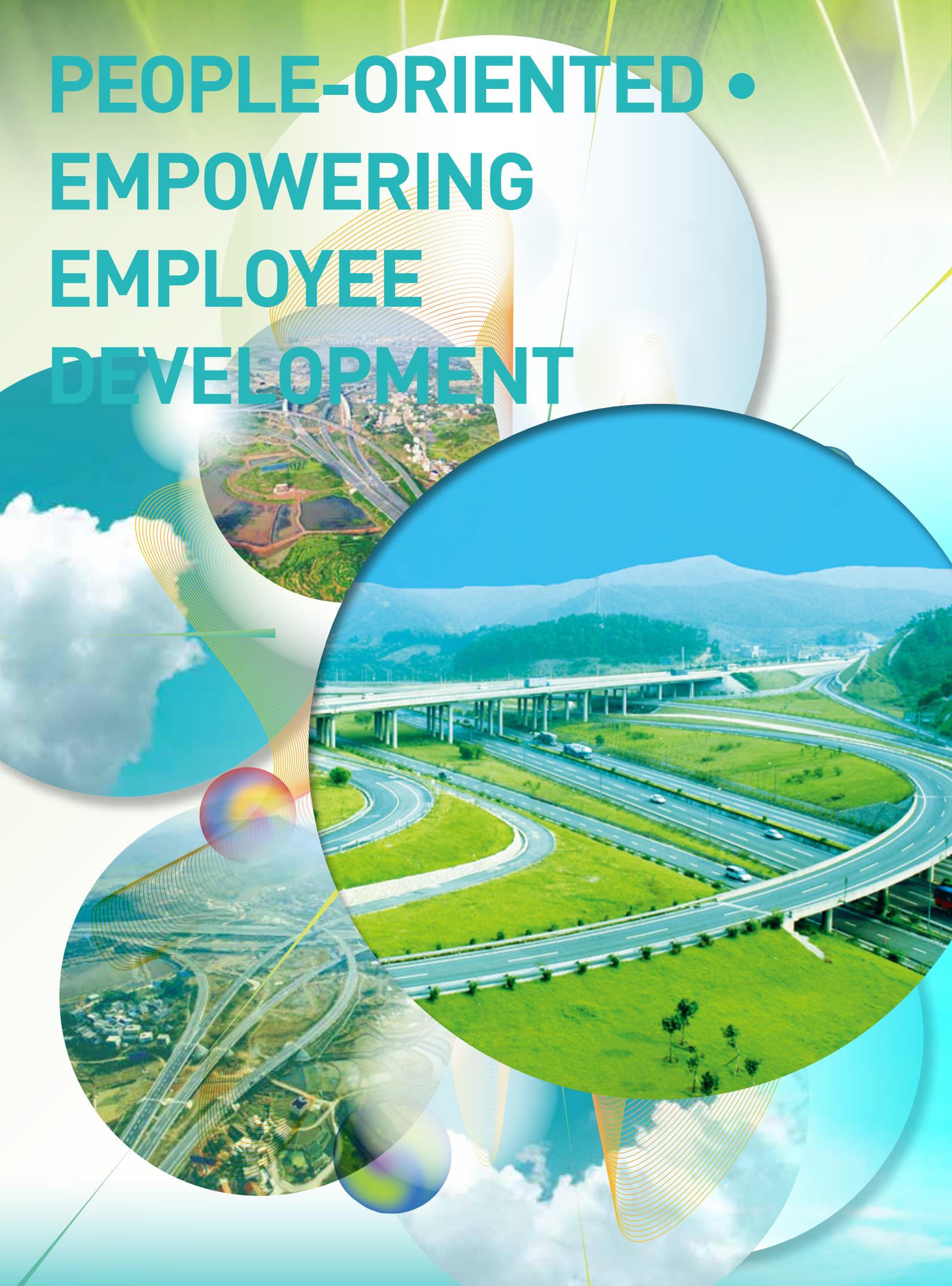
In 2023, we introduced the zero-trust tool of Yuexiu Group and configured the transportation service platform into it, reducing the exposure possibility of addresses and shrinking business services. The platform detects and blocks abnormal access behavior in real time to ensure the security of the intranet and the full protection of customer privacy.

The travel service platform has implemented a number of risk control strategies on the C-end and the PC-end to ensure the security of user data and information. The C-end adopts the technical means of Wechat mobile phone number quick verification component, Tencent cloud senseless verification service, mobile phone number risk portrait SaaS service and HTTPS SSL encrypted transmission. The PC side also uses HTTPS SSL encryption transmission technology, and implements privacy protection for pages and reports involving the user's mobile phone number. In addition, we restrict the login mode of business users and strictly control the access rights of the travel service platform in the internal network to further enhance the security of the system. In 2023, there was no information loss or leakage in Yuexiu Transport.

Highlight data

During the reporting period, there was no incident of data privacy leakage in Yuexiu Transport.

PEOPLE-ORIENTED • EMPOWERING EMPLOYEE DEVELOPMENT



PEOPLE-ORIENTED • EMPOWERING EMPLOYEE DEVELOPMENT

We thoroughly implement the “people-oriented” business philosophy, fully respect and protect the basic rights and interests of employees, adhere to the people-oriented management philosophy, on the basis of effectively protecting the rights of employees, provide employees with a diverse, inclusive, healthy and safe working environment, continue to establish a professional and effective talent training system, help employees develop in a diversified way. We care for the physical and mental health of employees, and continuously improve the happiness and satisfaction of employees.

SDGs Topics



Overview of Related ESG Issues and Management Practices in 2023

Related ESG issues

- Remuneration and welfare
- Employees' rights and interests protection
- Health and safety
- Talent development and retention

Strategy

Adhere to the people-oriented policy, develop and allocate human resources in a scientific manner, protect the legal rights and interests of employees, properly motivate talents, and create a broad career development platform for employees.

Action

- Establish incentive mechanisms with long-term effects
- Conduct diversity training programs
- Deepen the talent review project

Outcome

- There were no labor violations or complaints in 2023.
- Work guidelines on performance and remuneration of subsidiaries were refined in 2023.

Improvement

We will continue to focus on relevant policies and trends in this sector, and review our employees' structure and capabilities, in order to keep our teams competitive, strengthen team cohesion, and promote the growth of employees and the company together.

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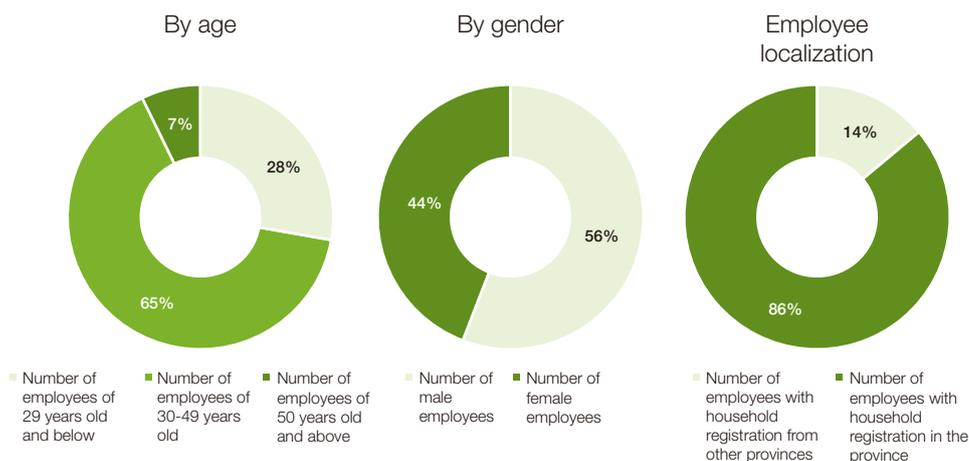
DIVERSIFIED TALENT TEAM

Yuexiu Transport adheres to the talent management concept of fairness, justice and equal treatment. We comprehensively consider the gender, culture, experience and other professional backgrounds of employees, and are committed to providing equal employment opportunities for employees of different nationalities and regions, implementing equal pay and equal work for men and women, actively introducing talents from various channels, building a diversified talent team, and continuously improving the inclusiveness of the working environment and the sustainability of the Company's development.

Highlight data

As at December 31, 2023

- The total number of employees of Yuexiu Transport is 2,134, including 941 female employees, and the degree of localization is over 86%.



- The number of R&D personnel has reached 80.

COMPREHENSIVE PROTECTION OF RIGHTS AND INTERESTS

Compliance Employment

Yuexiu Transport strictly abides by all applicable laws and regulations, including the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, and the Regulations on Prohibition of Child Labor, formulates internal regulation such as the Yuexiu Transport Infrastructure Limited Labor Contract Management Measures, and resolutely resists any violation of labor standards and infringement of the rights and interests of employees. In 2023, no child labor was employed and forced labor occurred in all operations of Yuexiu Transport, and there were no violations or complaints against labor standards. If the above situation is found, we will immediately terminate the relevant behaviors and deal with them under laws, regulations, and relevant requirements.

PEOPLE-ORIENTED • EMPOWERING EMPLOYEE DEVELOPMENT

Equality and Anti-Discrimination

Yuexiu Transport adheres to the principle of equal employment, opposes and prohibits all form of employment discrimination. In the process of recruitment, induction, training, promotion and reward, it is prohibited to discriminate against employees and differentiate based on gender, age, race, color, nationality, household registration location and other factors. We always follow the principle of fair competition and employment on the basis of merit. At the same time, we provide induction training to new employees on equality and anti-discrimination. In 2023, there was no discrimination incident in Yuexiu Transport.

Safeguard Occupational Health and Safety

Yuexiu Transport strictly abides by the *Production Safety Law of the People's Republic of China* and other laws and regulations and formulates the *Safety Production Management Measures of Yuexiu Transport Infrastructure Limited*. It stipulates that safety targets such as 0 work-related injuries, 0 fires, and 0 traffic accidents with official vehicles are split up to each department at each level. And we ensure that goals are met by managing and monitoring employees in their daily work.

In order to prevent work-related accidents, Yuexiu Transport continues to improve the safety organization system, improve the safety management system, strictly control the key nodes in the business process, and provide employees with necessary safety protection supplies, and actively prevent potential safety hazards in the production process. In accordance with national laws and regulations, we operate the process of reporting, investigating and accounting for work-related injuries to ensure that employees injured at work or suffering from occupational diseases receive timely treatment and financial compensation.

Yuexiu Transport continues to implement the annual physical examination of employees, organize employees to carry out annual physical examination, and carry out relevant health lectures. In 2023, Yuexiu Transport provides 100% of its employees with physical examinations.

Highlight data

In 2023,

- The coverage rate of medical checkups for employees of Yuexiu Transport is 100%.
- Carry out safety education and training for all employees.
- The investment amount of occupational injury insurance for employees was RMB793,500, and the coverage rate reached 100%.

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Guarantee of Salary and Welfare

Yuexiu Transport has established a complete corporate salary and welfare system to build a smooth communication channel for employees. According to the Salary Management Measures of Yuexiu Transport Infrastructure Limited, we confirm remuneration for employees based on four principles, i.e., market orientation, reasonableness and fairness, value contribution, and efficient distribution. We make overall adjustments to salary based on national policies, price levels, and competition in the sector. In addition, we implement differentiated salary settings and are committed to formulating a compensation and benefit mechanism that meets the requirements of a modern enterprise system. We have signed a collective contract with employees, covering labor safety and health, special protection for female workers, insurance and welfare, and other dimensions to protect the rights and interests of employees in many ways.

Yuexiu Transport provides employees with diversified corporate benefits to enhance their happiness and sense of belonging. In 2023, we visited the employees working on the front line and sent them heat prevention and cooling items such as water, towels, and medicines, also provided protective masks, no-rinse hand sanitizer, protective clothing, reflective undershirts, and other protective supplies for toll collectors. In addition, during the Chinese New Year “Spring Festival Warmth Campaign”, we distributed Spring Festival gift packages to the front-line workers who stay in their posts during the festival and the workers who stay in Guangzhou for the festival, and sent New Year’s greetings. We should care for the workers in difficulty, establish a system of assistance and relief, and distribute condolences to the sick and difficult workers.

Yuexiu Transport actively cares for its female employees. We value their needs and development and provide targeted care and benefits to create an inclusive and comfortable work environment.



VARIOUS WOMEN’S DAY ACTIVITIES ON MARCH 8TH

Yuexiu Transport actively improves the working experience and service quality of female employees. On the occasion of March 8th Women’s Day, the Company launched a variety of activities in different forms. For example, the Company organized the theme of “building dreams for women and stimulating the new era” with Suiyuenan Company, and the theme of “Flowering fragrance” with Jinfu Company, which sent care and concern to female employees.



Women’s Day activities

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Open Communication Channels

Yuexiu Transport respects the voice of employees, actively listens to their suggestions. Yuexiu Transport has established a communication bridge between management and employees in multiple ways. Employees can express their opinions through channels such as labor unions, employee seminars, employee representative meetings, executive “face-to-face” and mailboxes. We will continue to collect opinions from employees, identify problems and review our practice to better understand and respond to employees’ demands and suggestions and promote the long-term development of the company.

“FACE-TO-FACE TALK WITH EXECUTIVES” YOUNG EMPLOYEES SYMPOSIUM AND COMMUNICATION ACTIVITY

In 2023, Yuexiu Transport organized a discussion and exchange activity of “face-to-face talk with executives” for young employees, which was attended by about 80 new employees of the management centers of all departments and affiliated companies, team leaders and middle-level managers of the GNSR Company and the Reconstruction and Expansion Management Office. The main leaders of the Company answered questions for employees based on their personal experiences, which further strengthened the confidence of employees in future development, helping employees to clarify their own growth path and make a good development plan.



Executive Face-to-face Event site



The general manager answers questions for the staff



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Employee Support

Yuexiu Transport has formulated the Regulations on the Staff Mutual Aid Fund of Yuexiu Transport Infrastructure Limited and relevant management measures. The Company monitors the situation of employees in difficulty and establishes a management database for the employees who need help, providing assistance funds, labor union mutual assistance, and supplementary medical insurance to employees in need, along with other assistance measures. In 2023, we actively launched the mapping and declaration of workers in difficulty, and recorded a total of 2 people. In addition, we responded positively to the hospitalization care program for employees implemented by the Guangzhou Municipal Federation of Trade Unions and provided 31 employees with a condolence payment of RMB300 each to support hospitalized employees in 2023.

Work-life Balance

Yuexiu Transport cares about the employees' physical and mental health and we are committed to helping our employees to achieve a work-life balance. We actively organize different types of employee activities such as staff sports, knowledge competitions, and parent-child activities to help them release work pressure, build a healthy and positive mindset, and create a healthy and energetic team atmosphere, so as to promote the healthy and sustainable development of enterprises. In 2023, we set up football, yoga, badminton and other sports interest activity groups to encourage employees to carry out physical exercise after work and strengthen their physique. In 2023, we launched more than 10 cultural and sports activities to improve the physical fitness of employees and stimulate their vitality and cohesion.

EMPLOYEE ACTIVITY CASE

In May 2023, Yuexiu (Hubei) Company organized and carried out the staff parent-child activity of "Accompanying Children and Enjoying Childhood Fun" in 2023, which provided a platform for staff and children to enjoy family affection and happiness, and also passed the Company's care and concern to the staff to the family, creating a harmonious and loving rear environment for the staff.

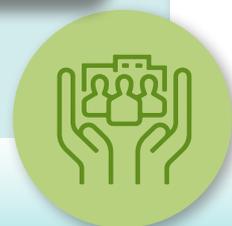
In June 2023, Changzhu Company successfully hosted the cooking skill competition of the third Yuexiu Transport Staff Labor Skills Competition. Through this skill competition, it fully mobilized the enthusiasm, initiative and creativity of the staff, encouraged the staff to carry forward the spirit of craftsmen, and made new outstanding contributions to the Company's high-quality development in the "14th Five-Year Plan".



Sports Fun Games



Sports Games



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SUPPORTING TALENT DEVELOPMENT

Talent Development Mechanism

Yuexiu Transport is equipped with a comprehensive talent development mechanism, including a rotation mechanism, a new employee coaching mechanism, and a selection and promotion mechanism, to provide channels and platforms for various talents to improve their personal abilities, enrich their job experiences, and help the organization's business development.

- **Rotation mechanism:** In 2023, we continue to optimized the rotation mechanism and have improved the rotation system. We have realized 35 rotations and exchanges among the reserve young cadres of the Group, formulated rotation objectives and plans for the Company, implemented process rotation tracking and node reporting, strengthened process management, aiming to further enhance the effectiveness of rotation, promoted talent development through practice, supplemented experience and ability, and have further improved the construction of internal talent echelon.
- **New employee coaching mechanism:** In 2023, the Company continued to develop the coaching system for new employees and implemented the tracking and integration mechanism during their probation periods. The coaches are senior employees of relevant internal positions and adopt a 1-to-1 matching to guide new employees to accomplish their tasks throughout the probation periods, help the reserve talents to adapt to the job requirements quickly, and evaluate their performance throughout their probation periods. We attach importance to the probation period for new employees and strive to train and cultivate talents from the source.
- **Selection and promotion mechanism:** In 2023, we further deepened the fair, just and open employment model and adopted the open competition to select talents. We continue to implement the Management Measures for Employee Promotion of Yuexiu Transport Infrastructure Limited to further follow the three major principles of strategy and business needs, talent development needs, and fairness and impartiality in the promotion of employees, so as to better ensure the fairness and transparency of employee promotion, and promote the high-caliber talents with both virtue and talent, outstanding performance, excellent ability and extensive experience to stand out and realize the “win-win” situation of employee development and enterprise growth.

Employee Training System

Yuexiu Transport has established a diversified employee training system in line with the company's strategy and business development needs. We have formulated the Training Management Measures of Yuexiu Transport Infrastructure Limited. Through a combination of internal training, external training, tailored training programs, and online learning, we provide multiple series for different management levels and business scenarios, including leadership training, knowledge acquisition and skill cultivation, quality training and corporate culture training, to offer training resources to each employees throughout their career cycle, and further consolidate the training effect through knowledge competitions, centralized examinations, and action learning, etc., to comprehensively improve the strategic vision, comprehensive quality and professional level of employees.

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In 2023, we optimize and supplement a series of special projects such as benchmarking learning and exchanges of management personnel, training of backbone talents, improvement of management tools and improvement of professional competence of subsidiaries, which align with the needs and characteristics of the businesses and the team, and contribute to further development of talent echelon. The training system is mainly optimized for the following two scenarios.

Optimization scenario of training system	Optimization content
Training program for middle and senior professional managers	Including benchmarking learning and exchanges, Strategy Workshop, special training on hot business issues, personalized leadership training for project companies, etc.
Key Personnel Training Project	Including Fireworks Talent Training Project, General Studies Program for subsidiaries, management ability improvement series project, “Transcendent Star” Project of Yuexiu (Hubei) Company, etc.

In addition, we have formed a perfect staff training system applicable to Yuexiu Transport:

New employees and reserved talents	Key talent	Middle and senior professional managers
<ul style="list-style-type: none"> • “One Show” Program • 1-to-1 Coaching for Probation Tracking and Integration • Sharing Meeting 	<ul style="list-style-type: none"> • Fireworks Talent Training Project • Reserve personnel training project • General Studies Program for subsidiaries • Management ability improvement series project • “Transcendent Star” Project of Yuexiu (Hubei) Company • Professional upgrading training for each business line (craftsman, battalion commander, safety training, etc.) 	<ul style="list-style-type: none"> • Leadership Development Program • Benchmarking learning and exchanges • Strategy Workshop • Special training on hot business issues • Personalized Leadership Training for Project Company

Panorama of employee training system

Highlight data

In 2023, the training coverage rate of new employees recruited from university graduates and new management members enlisted through social recruitment channels is 100%.

PEOPLE-ORIENTED • EMPOWERING EMPLOYEE DEVELOPMENT



EMPLOYEE TRAINING HIGHLIGHTS CASE

New employees

- Continuously implement new employee integration courses, the “One Show” Program, the task-based probation and coaching mechanism, the General Manager’s Exposition of Strategic Culture, Face-to-Face Talk with Executives, to help new employees to integrate into the organization rapidly, caring for and empowering their growth.

Backbone and key personnel training

- Further promote the “Fireworks” Talent Training Project for key talents, and enhance the professional quality, cross-business thinking, creative thinking, team management and other abilities of key talents through practice-oriented theme tasks and reporting that are highly related to strategic development;
- Adjust and advance the General Studies Program for backbone business talents of subsidiaries, and precipitate the excellent experience through the business lines of the front-line units;
- Facilitate special talent training projects of subsidiaries, such as “Transcendent Star” Project of Yuexiu (Hubei) Company and Team Building and Integration Program of GNSR Company, contributing to the construction and development of the talent echelon.

Training for middle and senior managers

- Arrange multiple visits for relevant specialists to visit benchmarking enterprises for research and exchanges on strategic topics such as industrial chain investment and digital economy, which conduce to practical business application and cooperation in the future;
- Provide special-themed trainings based on the latest developments related to business investment, such as bankruptcy reorganization and non-performing asset auction to empower business development;
- Organize Strategy Workshop to discuss a broad variety of business issues, thus building the consensus within the entire organization.



Backbone talent ability training



“One Show” new employee training



GNSR Expressway Team Campaign

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LABOR SKILLS COMPETITION FOR STAFF AND WORKERS

In 2023, in order to further build a knowledge-based, skill-based and innovative workforce, Yuexiu Transport launched a labor skills competition for employees.



A fee-for-service competition

Highlight data

- During the reporting period, there were 35 employees in internal job rotation and 24 employees were appointed through internal competitive recruitment.

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Performance Management

We continue to adhere to the five principles of “business orientation, full coverage, openness and fairness, coaching and improvement, and reflection of incentives”, implement the performance management and results application mechanism, and implement the performance management optimization program, deepen the performance orientation, and play the role of performance management in the identification, use, reserve and exit mechanism of talents. We implement performance management by formulating performance plans, clarifying performance goals, conducting performance guidance and monitoring, evaluating performance, providing feedback and communication on performance results, and implementing the application of performance results. At the same time, we announce relevant grievance mechanisms to employees, provide communication channels for employees, and improve the trust between employees and Yuexiu Transport.

In 2023, we launched a survey on the performance management of subsidiaries, and assessed the performance appraisal status of subsidiaries by means of questionnaires, professional line consultation and on-site interviews with some project companies. The *Guidelines for Standardization of Performance Management of Yuexiu Transport Subsidiaries* and the *Guidelines for Standardization of Salary and Welfare Management of Yuexiu Transport Subsidiaries* were optimized on the basis of the actual conditions of such subsidiaries and the results of the survey. At the same time, the subsidiaries are required to promote the implementation of performance and remuneration guidelines, optimize the evaluation and incentive mechanism at all levels, and promote the concept of performance management of transportation to the subsidiaries in depth. In addition, we continue to optimize the feedback mechanism of performance results of employees in our headquarters, clarify the feedback time, method, content and other matters, further enhance the standardization of performance feedback, and guide employees to make continuous progress and improve the effectiveness of performance feedback through the feedback and discussion of positive and negative performance, improvement plans and development suggestions and other processes.

MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER



MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER

Yuexiu Transport always adheres to the principle of mutual benefit, actively fulfills its social responsibility, and strives to create more social and environmental values while realizing its commercial value. The Group continues to deepen its supply chain management and build a responsible business operation; actively participate in peer communication and continuously promote the industry development, and creates sustainable benefits for the upstream and downstream of the industrial chain. We actively participate in volunteer activities and contribute to urban development and harmonious development of society.

SDGs Topics



Overview of Related ESG Issues and Management Practices in 2023

Related ESG issues

- Business ethics
- Supply chain management
- Sustainable development management
- Community relations
- Land use

Strategy

Standardize supplier management, carry out responsible procurement, and develop a sustainable supply chain.

Deepen industry-university-research cooperation, implement transformation of scientific research achievements together with universities.

Actively develop business expertise, fulfill corporate social responsibilities, implement the work of rural revitalization and convergence, maintain harmonious relationship with residents surrounding the place of business.

Action

Dynamic management and update of supplier information base.

Signing anti-corruption contracts with suppliers.

Ensuring suppliers obtain system certification.

Outcome

Full use of information procurement system.

No supplier misconduct was found during in 2023.

Obtained industry-university-research achievements and released a series of guidelines.

Improvement

We will deepen the sustainable supply chain management, improve supply chain quality, further reduce supply chain environment and social risks. We will respond to the national call, continuously promote social responsibility work, deepen industry-university-research cooperation and application of achievements, and actively respond to social concern and continuously strengthen the sense of corporate social responsibilities.

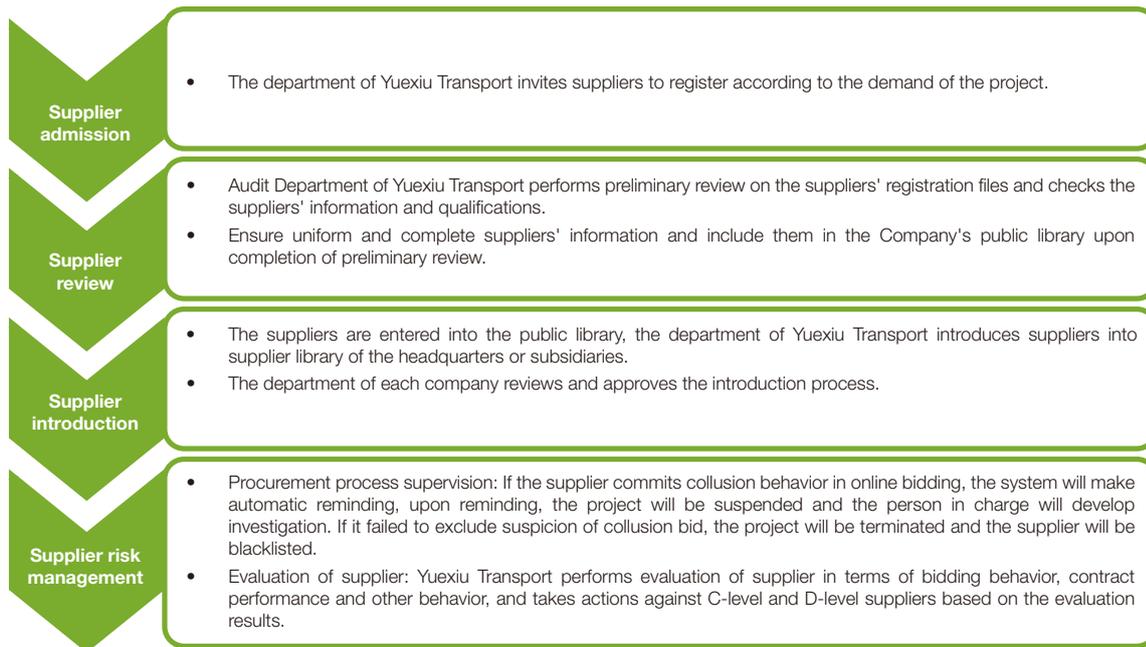
MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER

BUILDING A RESPONSIBLE SUPPLY CHAIN

Whole Process Management of Supply Chain

Yuexiu Transport respects its partners, carries out standardized management of suppliers and strives for orderly operation of its supply chain management system. We abide by all applicable laws and regulations, including the *Tendering and Bidding Law of the People's Republic of China*, the *Implementation Regulations for Tendering and Bidding Law of the People's Republic of China*. The Company has also formulated a number of its own supply chain management policies such as the *Measures for the Management of Tenders and Procurement of Yuexiu Transport Infrastructure Limited* and the *Measures for the Management of Suppliers of Yuexiu Transport Infrastructure Limited*.

Yuexiu Transport has set up a complete supply chain management system and continuously improves the procurement management mechanism and process, and pursues life-cycle control at all stages of supplier admission, review, introduction and risk management.



PROMOTING RESPONSIBLE SUPPLY CHAIN

Yuexiu Transport is committed to building a high-quality supply chain to reduce environmental, social and governance risk in the supply chain. Meanwhile, we adhere to our policy of business ethics, strive to achieve a positive interaction with all parties and actively promote the building of the sustainable development of the supply chain.

MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER

Guiding supply chain to fulfil environmental and social responsibilities

Yuexiu Transport pays attention to the management ability of suppliers in health, safety and environmental protection, and strengthens the environmental and social responsibility consciousness of suppliers. The Company integrates the concept and requirements of green procurement into the supplier management process:

Contractor Evaluation	Check the health and safety certification of the supplier before admission to the supplier library, including the production safety license of the construction enterprise.
Cooperation with the Contractor	The special construction environmental protection cost shall be set in the construction cost during the bidding, which is specially used for the implementation of the environmental protection requirements during the construction. Environmental protection requirements include prevention of water and soil erosion and waste treatment, prevention and mitigation of water and air pollution, protection of green vegetation, protection of land resources, etc.
Contractor's Withdrawal	We require the contractor to carry out the reclamation and greening of the damaged land at the end of the project to reduce the negative impact on the environment.

Yuexiu Transport actively implements localized procurement, to reduce the environmental impact caused by transportation and packaging, and to boost local economic development.

Highlight data

- As of December 31, 2023, the proportion of local suppliers has reached 30%.

Anti-corruption construction of supply chain

Yuexiu Transport adheres to the procurement principle of "openness, fairness and impartiality". Yuexiu Transport strictly abides by national and local laws and regulations to develop activities of tenders and procurement, implements and fulfils a series of anti-corruption systems applicable to all suppliers such as the *Procurement Management System of Yuexiu Transport Infrastructure Limited*.

MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER

In 2023's project development, the Company strictly abides by the requirements of integrity and compliance, and strengthens the supervision of key links and areas such as bidding supply chain. We require suppliers to sign the Anti-corruption Contract and comprehensively promote the signing of the Commitment Letter of Anti-corruption Cooperation by suppliers. As we strengthen supplier supervision and ensure that suppliers have adequate anti-corruption policies and management measures, we aim to effectively build a strong line of defense against corruption and change.



SUIYUENAN PAVEMENT OVERHAUL (PHASE III) PROJECT-SIGNING EVENT AND SYMPOSIUM FOR FOUR-PARTY EFFORTS IN ANTI-CORRUPTION

In October 2023, Yuexiu Transport organized the kickoff meeting of Suiyuenan Pavement Overhaul (Phase III) Project. He Baiqing, Assistant to the Chairman of the Management Consulting Coordinating Committee of Yuexiu Group, Secretary of the Party Committee and General Manager of Yuexiu Transport, together with the Secretary of the Discipline Inspection Commission, Deputy General Manager and other senior leaders, attended the meeting for guidance. At the meeting, all participants carried out internal learning on improving the supervision system and watched warning documentaries. After study, the senior management of Suiyuenan Company and nearly 30 relevant personnel of the construction party, design party and supervision unit of Suiyuenan Project read out and signed the agreement of clean co-construction, and jointly participated in and witnessed the construction of the clean demonstration project.



Thematic Integrity Course Site



Delegates at the meeting signed an agreement on clean and honest co-construction.

MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER

Highlight data

- During the reporting period, the signing rate of new supplier integrity agreements was 100%.

PROMOTING DEVELOPMENT OF THE INDUSTRY

Develop Industry-university-research Cooperation

In 2023, Yuexiu Transport continued to promote the research and implementation of the solution of intelligent, less people and digital development of expressway operation, and was widely recognized by the industry.

Project name	Awards
Research and Application of Life Cycle Safety Monitoring System for High Slope of GNSR Expressway	Second Prize for Scientific and Technological Progress of China Instrument and Control Society
Research on Intelligent Diamond Toll Station Solution Based on Cloud Edge Collaboration	The Second Prize of Excellent Project Case of Guangdong Intelligent Transportation Association
Research and Development and Application Project of Traffic Safety Risk Management and Control Technology for Highway Construction Based on Parallel Simulation	First Prize of Award of Guangdong Provincial Association of Work Safety Emergency and Safety Technology Progress
Design and Construction Technology of Low Equivalent Epoxy Asphalt Pavement	The Second Prize of Science and Technology of Guangdong Province Highway Society

Awards of scientific research projects in 2023

In addition, Yuexiu Transport's "Design and Construction Technology of Low Equivalent Epoxy Asphalt Pavement" and "Intelligent Energy Management Technology for Road (including Tunnel) Lighting" projects in 2023 have passed the evaluation of scientific and technological achievements of China Highway & Transportation Society, reaching the international leading level.

MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER



THE SECOND PRIZE OF SCIENTIFIC AND TECHNOLOGICAL PROGRESS OF CHINA INSTRUMENT AND CONTROL SOCIETY IN 2023, GNSR COMPANY

In November 2023, the project “Research and Development and Application of Geological Disaster Monitoring Equipment and Early Warning Platform for Mountain Highway”, which was participated by the GNSR Company, won the “Scientific and Technological Progress of China Instrument and Control Society 2023 - Second Prize” by virtue of the project “Research and Application of Life Cycle Safety Monitoring System for High Slope of Expressway”, in recognition of the scientific and technological progress brought about by the GNSR Company in the field of instrumentation.

The whole life cycle safety monitoring system of GNSR Expressway high slope is studied from the aspects of Beidou satellite positioning monitoring, UAV tilt photography technology, electronic sensor monitoring and radar monitoring. Finally, the real-time transmission of monitoring data based on tilt photography, Global Navigation Satellite System (GNSS), electronic sensors, video and other technologies, the visualization of data based on point cloud data technology, and the self-perception technology of high slope safety based on Internet of Things technology are formed to scientifically assess the health trend of high slope in the whole life cycle. Among them, the high slope safety monitoring technology, which integrates UAV rapid inspection and disease identification technology, is currently in the leading level in China.



Award ceremony



Award certificate

MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER

Empower Progress of the Industry

Yuexiu Transport focuses on the development of the industry and is committed to being the pioneer of innovative technology in the field of expressway. In 2023, Yuexiu Transport participated in the compilation of the group standard of China Communications and Transportation Association, Technical Guidelines for Road Front Lighting in Urbanized Areas. On the basis of the Technical Guidelines for Tunnel Front Lighting published in 2022, Yuexiu Transport has extended the lighting technology to the road field.

At present, the relevant technical standards have not been established at home and abroad, and this project helps to fill this gap. This standard puts forward specific technical requirements for the design, intelligent control, installation and commissioning of lighting fixtures. By making full use of the advantages of LED light source lamps in dimming and asymmetric light distribution, on the premise of meeting traffic safety, it can effectively reduce energy consumption, further improve driving comfort, and create a comfortable, low-carbon and safe driving environment.

JOINTLY BUILDING HARMONIOUS COMMUNITIES

Community Communication Mechanism

Policy Statement of Community Relations

Yuexiu Transport is firmly convinced that good community relations will bring a positive impact on the enterprise and society. For this reason, we are committed to building open and accessible local community engagement platforms for all stakeholders in all projects, fully consider the rights and interests of stakeholders in the process of evaluation, preliminary research, construction, and operation of projects, and take all necessary measures to actively build harmonious community relations.

Yuexiu Transport promises within the scope of all operations that:

- Actively protect local residents and land rights of the project location, take the initiative to identify the traditional living customs and land uses of the project location before the project is implemented, and formulate necessary measures to minimize the disturbance of construction project to local communities.
- Establish a precautionary and long-term mechanism for local community engagement and communication. The Comprehensive Department is responsible for the continuous monitoring of the project's impact on the community and provide local community with formal communication channels, such as complaints hot-line, letters and visits.
- Carry out community investigation activities such as local community visits, questionnaire survey and expert interviews, and listen and respond to appeals from the local community.
- Invite stakeholders and external parties, including local community representatives, experts and scholars, to set up a community council and work together to identify the core interest of the local community concerns, participate in the formulation of local community rights protection policy and corresponding protection action plans, and make sure the effectiveness of the protection of community rights.

MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER

Community Impact Assessment and Mitigation

Yuexiu Transport always takes the development of residents and communities along the way into consideration in the planning, and fully evaluates the potential environmental and social impacts before the project is launched.

- Environmental impact assessment: before the approval of the construction project, carry out an in-depth planning coordination analysis, identify the environmentally sensitive areas that may be involved in the project site selection, and analyze the environment by the project construction and operation ecology, noise, water, atmosphere, etc. Reconstruction and expansion projects attach importance to the research and implementation of environmental protection, ecological compensation and risk prevention measures.
 - ◆ Mitigation Plan: Yuexiu Transport requires its subsidiaries and contractor construction units to implement relevant environmental protection measures and environmental protection requirements of relevant competent authorities, and strictly implement the “Three Simultaneities” regulation that pollution prevention facilities and main works are designed, constructed and put into operation at the same time.
- Social impact assessment: during the implementation of the project, the Company regularly assesses the potential social impact and carries out risk degree analysis for the factors that may cause risks to the community, including but not limited to land demolition, land acquisition, biomass reduction, noise increase, and the impact of construction on the quality of life of the local community.
 - ◆ Mitigation Plan: Yuexiu Transport requires its affiliated companies and contractor construction units to inform the public of the potential impact in advance before the project is launched, and actively invite the public to participate in the community impact assessment, and fully listen to the public’s demands. Yuexiu Transport will stay problem-oriented and goal-oriented, actively respond to public demands, and seek advanced technological solutions to minimize social impact.

MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER

Impact category	Risk factors	Risk mitigation measures
Environmental impact	Water resources	<ul style="list-style-type: none"> • Upgrade the guardrail grade and set up roadside anti-drop net to prevent vehicles or road garbage from falling into the water source protection area. • Pavement runoff collection system and sedimentation tank shall be set up to collect and deposit oil and other pollutants on the road and prevent pollutants from entering the water body.
	Atmospheric environment	<ul style="list-style-type: none"> • During the construction period, measures such as setting up enclosure, sprinkling water on the construction site, reasonable site selection of mixing station, installation of dust removal equipment for mixing equipment, etc shall be implemented; • The appropriate width of green belt should be planted between the highway sideline and the community red line.
	Sound environment	<ul style="list-style-type: none"> • Diversified noise reduction equipment such as noise reduction forest, noise barrier and low-noise asphalt pavement shall be provided.
	Ecological impact	<ul style="list-style-type: none"> • Suitable arbors, shrubs and grasses shall be planted on the highway slope within the scope of land acquisition for slope protection and ecological environment restoration.
Social impact	Land acquisition and demolition	<ul style="list-style-type: none"> • Implement compensation for demolition according to law, and strictly implement the policies, laws and regulations of the local government; • We should do a good job in demolition and resettlement, and mobilize all parties to solve the livelihood problems of landless residents, such as housing, employment and living expenses.
	Change in use of land resource	<ul style="list-style-type: none"> • Optimize route design and reduce land occupation by means of tunnels and overpasses.
	Impact on the quality of life of residents along the way	<ul style="list-style-type: none"> • Maintain openness and transparency, and communicate the progress of the project with the public in a timely manner. • Open public feedback channels and actively understand the health and mood of residents.

Community risks from common environmental and social impacts and mitigation plans

MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER



THE CENTRAL LINE UNEQUAL OFFSET TECHNOLOGY IS USED TO OPTIMIZE THE ROUTE DESIGN IN THE GNSR EXPRESSWAY RECONSTRUCTION AND EXPANSION PROJECT

Most of the reconstruction and expansion projects of the GNSR Expressway are located in mountainous and hilly areas, with arduous implementation of the project, numerous road difficulties, and great difficulty in coordination. In the section from Shihu to Beicun (about 4.8 km in length), the southside is adjacent to Jiulong Garden and dense self-built houses. In order to avoid the demolition of more than 60 houses and reduce interference to residential areas, the team has carried out a lot of research and line research and has carried out in-depth docking with Guangzhou Railway Group many times. It has innovatively put forward the technology of unequal offset of the central line, which offsets the central line of the route to the north by 0-14m. The corner land between the railway shall be used to the maximum extent; the subgrade section on the south side after the deviation shall be only widened by 4m to minimize the disturbance to residents during the construction and operation of urban roads.



Schematic diagram of the project section

Community Impact Monitoring

Before the approval of the project, the surrounding environment, society, economy and other factors are fully investigated, and social stability research is carried out from the dimension of noise indicators and other indicators; at the same time, the Company formulates the community monitoring plan for the whole life cycle of the project, monitors the performance of the above indicators in each stage of the project in real time, and analyzes the reasons for fluctuations.

During the construction and operation of the project, real-time monitoring is carried out according to the community monitoring plan to ensure timely understanding of the views and needs of the surrounding communities. Yuexiu Transport Subsidiary JinFu_Company has set up special personnel on self-media platforms such as TikTok, Kuaishou, and Weibo to monitor public opinion 24 hours a day, quickly identify key information, understand the opinions and suggestions of the community on highway operations at the first time, adjust construction or operation management strategies in time for existing problems, and take mitigation measures. For example, in the construction process, if noise, dust and other problems are found to affect the lives of community residents, enterprises can quickly take measures to mitigate the impact, such as adjusting the construction time, increasing environmental protection facilities, etc.

MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER

Community Communication Program

Yuexiu Transport has established a comprehensive community communication plan to enhance the trust and understanding between the Company and the community and create a positive community relationship. Before the implementation of the new construction and expansion projects, a questionnaire survey was conducted among the residents within 200 meters of the project site to deeply understand the needs and concerns of the community residents. We actively respond to the concerns of residents and other stakeholders by holding seminars and face-to-face exchanges, and communicate the mitigation measures planned or taken by the Company to reduce the concerns of residents.



GNSR EXPRESSWAY RECONSTRUCTION AND EXPANSION PROJECT COMMUNITY COMMUNICATION

Before the approval of the construction project, the GNSR Expressway Reconstruction and Expansion Project took the initiative to carry out social stability investigation. By issuing more than 1700 questionnaires, we actively listened to the opinions of residents.

Before the project was launched, the Company also received complaints from some residents. In response to complaints, the Company cooperated with the political and legal committees of the two districts to set up a resolution mechanism, explained the adjustment and control measures to residents and other stakeholders in detail, and finally won the understanding and support of the vast majority of the people.

In August 2023, when the project entered the EIA stage, the Company took several rounds of publicity, announced the details of environmental protection measures, and promised to strictly implement the corresponding measures in the construction and acceptance stage.

In view of the noise problem with concentrated complaints, the GNSR Expressway Engineering Management Department, Technology Department and relevant agencies held four symposiums, and finally determined the fully enclosed and semi-enclosed shielding measures, and cooperated with the Environmental Protection Bureau, Street Office and other departments to explain to the residents in detail, and successfully won the understanding and support of the residents.

MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER

The Company has established a noise complaint handling mechanism, and community residents and other stakeholders can make appeals or complaints through open telephone and mailbox at any time. After receiving the relevant report, the Company promptly appoints a special person to follow up and solve the problem and pay a return visit in time, so as to properly handle the relevant problems. GNSR Company has set up a complaint-handling leading group and a working group. After receiving a complaint, the relevant departments must fully understand the content of the complaint, investigate the causes, and initially formulate the handling measures based on the principles of full cooperation, rapid response, satisfactory reply and clear responsibility. According to the degree and scope of the impact of the complaint, it shall be submitted to the head of the department or the designated leader of the Company. In principle, we reply to the complainant within three working days and communicate with the complainant, to win the understanding and satisfaction of the complainant. If the complainer requests a written reply, a written reply shall be given, and the complaint handed over by the superior department shall be reported to the superior department in writing within three working days.

Public Welfare and Charity

Yuexiu Transport gave back to society by means of practical actions, actively maintaining good communications with communities and participating in various public welfare and volunteer activities. We abide by laws and regulations such as the Charity Donation Law of the People's Republic of China and the Regulation on Volunteer Services, actively participate in public welfare, care about vulnerable groups and fulfil our social responsibilities.

We regularly organize our employees to participate in activities such as visiting needy people during festivals and voluntary blood donations, in order to convey warmth and promote positive social energy through local community services.

Highlight data

During the reporting period, Yuexiu Transport instructed the organizations to carry out voluntary service activities for a total of 1,994 hours.

MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER**ACTIVELY LAUNCHING CONVENIENT SERVICES FOR THE PUBLIC AND DOING WELL IN VOLUNTEER SERVICES**

In order to effectively cope with the impact of snowfall weather and to ensure safe travel for drivers and passengers, Jinfu Company, Weixu Company, Lanwei Company, etc. acted proactively in the snowy weather and took comprehensive measures to remove snow and ensure smooth traffic, and at the same time, made every effort to provide warm-hearted services and practical solutions to the difficulties of drivers and passengers on the worries and emergencies. The toll stations of each company actively extends the service scope for the convenience of the people. We closely monitor, maintain the plaza vehicle dynamics and order, and keep patience explaining reasons to the stranded drivers and passengers. We offer free emergency items for the passing drivers and passengers, including convenient food, hot water, repair tools and others. We try as much as possible to minimize the inconvenience and disturbance of extreme weather to the passing drivers and passengers.

**Public services****Warm-hearted services**

CLIMATE-RELATED DISCLOSURES



CLIMATE-RELATED DISCLOSURES

Climate change is a common challenge for all mankind. According to the report of the United Nations Intergovernmental Panel on Climate Change (IPCC), under the background of global warming, the frequency and intensity of extreme climate events are increasing, which has brought unprecedented impact on human society. Governments and international organizations have introduced a series of policies and measures to deal with the negative impact of climate change on the global economy and society. Under the guidance of strategies and policies such as the Action Plan for Carbon Peak by 2030, the National Strategy for Adaptation to Climate Change 2035, and the White Paper on China's Policies and Actions to Address Climate Change, the Chinese government has implemented a series of reform measures, including improving energy efficiency and accelerating the transformation of energy consumption structure to clean and low-carbon. In the transportation infrastructure industry, the application of advanced green and low-carbon new technologies and equipment is strengthened, and the construction of intelligent transportation system is promoted. Short and long-term goals and phased measures are identified to address climate change risks.

Yuexiu Transport has been aware of the potential impact of climate change on the operation of enterprises. Under climate change, the probability of extreme weather such as rainstorm and flood may increase, and there is a possibility that the income of highway construction and operation enterprises may decrease due to the decline of road capacity. At the same time, due to the increasing concern of the country and the public on climate change issues, if the highway construction and operation industry fails to take appropriate measures, it may lead to the increase of long-term construction and operation costs and the loss of customers. Since 2022, Yuexiu Transport has disclosed climate-related work plans and achievements in four areas of governance, strategy, risk management, indicators and objectives, with reference to the recommendations of Task Force on Climate-Related Financial Disclosures (TCFD). In 2023, Yuexiu Transport integrated climate change response into the ESG work structure, carried out research and assessment on the physical risks and transition risks that may be caused by climate change events to Yuexiu Transport's operation, explored and formulated climate change risk response plans, improved the effectiveness of climate risk management, and seized climate opportunities.

GOVERNANCE

In 2022, Yuexiu Transport established the Environmental, Social and Governance Committee ("ESG Committee") and set up the ESG Leading Group and ESG Working Group for a three-tier governance structure, and built a closed-loop management system from decision-making, communication, actual implementation to reporting and assessment, providing a solid guarantee for the sustainable development of the enterprise. In 2023, Yuexiu Transport further clarified the governance structure of climate-related risks and opportunities in the existing governance structure, continued to pay attention to the impact of climate change on business operations, actively responded to climate-related risks, and grasped the opportunities brought by green transformation. We enhance climate resilience by strengthening climate-related risk assessment and actively formulating response measures.

CLIMATE-RELATED DISCLOSURES

Structure	Duties
Board of Directors	<ul style="list-style-type: none"> • The Board is the highest decision-making body of the Company's climate change work, responsible for leading the Company's strategic direction and decision-making related to climate change; • The Board has full discretion to assess and determine the nature and extent of climate risks to which the Group is exposed in order to achieve its strategic objectives; • The Board of Directors authorizes the ESG Committee to regularly review and supervise the management of climate change; • Through regular meetings and special discussions, the Board heard, reviewed and examined the Group's climate-related information management practices and reviewed the annual TCFD report.
ESG Committee	<ul style="list-style-type: none"> • To review, formulate and approve the vision, objectives, strategies and management policies for climate change response and make recommendations to the Board on relevant climate-related development strategies; • To review and assess the adequacy and effectiveness of the governance structure for climate-related governance issues; • Regularly review and monitor the Group's climate change response policies to ensure compliance with legal and regulatory requirements and corporate development strategies; • Set key targets for the Group's response to climate change, and regularly review and examine their achievement; • Report annual climate change disclosures to the Board at least once a year; • Supervise and manage other management work related to climate change response.
ESG Leading Group	<ul style="list-style-type: none"> • To study the system and working mechanism of climate change response applicable to Yuexiu Transport; • Assess and report on progress on climate-related strategies and targets; • Assess specific climate-related risks and opportunities and oversee the implementation of climate-related risk and opportunity management; • Coordinate and prepare annual climate-related information disclosure; • Report regularly to the ESG Committee on the performance of climate-related management work.

CLIMATE-RELATED DISCLOSURES

Structure	Duties
ESG Working Group	<ul style="list-style-type: none"> • Carry out daily management and statistics on the corresponding climate information of the Company and subsidiaries; • Be responsible for coordinating the implementation of specific climate-related risk and opportunity management tasks by various departments and affiliated project companies, and assisting in solving implementation problems; • Identify and manage specific climate-related risks and opportunities and report periodically on the corresponding indicators; • Make suggestions on daily management.

Climate Change Governance Structure of Yuexiu Transport

The Board of Directors is the highest decision-making body for the Company's climate change work and is responsible for leading the Company's strategic direction and decision-making related to climate change. The Board of Directors meets regularly to hear and review the reports of the ESG Committee to ensure that climate-related risks and opportunities are effectively managed.

The Board's ESG Committee oversees climate-related risks and opportunities. The committee comprises two executive directors, namely Mr. Li Feng and Mr. He Baiqing, and four independent non-executive directors, namely Mr. Fung Ka Pun, Mr. Lau Hon Chuen Ambrose, Mr. Cheung Doi Shu, and Mr. Peng Vincent Shen. Mr. Li Feng, the chairman of the Board, is the chairman of ESG Committee. ESG Committee members have extensive expertise and industry experience, and external experts are regularly invited to provide professional advice to ensure that appropriate skills and capabilities are available to oversee strategies for climate-related risks and opportunities. The ESG Committee ensures that climate-related risks and opportunities are adequately considered by reviewing, developing and approving the Group's vision, objectives, strategies and management policies on environmental, social and governance matters.

The ESG Committee holds regular meetings to listen to and review reports on climate-related work, and actively pays attention to industry trends, policies and regulations, so as to ensure timely understanding of the impact of risks and opportunities brought about by climate change on the Company's business. The ESG Committee regularly reviews the performance of climate management and plans to gradually incorporate relevant performance indicators into the remuneration policy of managers. The ESG Committee must report to the Board on climate change disclosures at least annually to ensure that climate-related risks and opportunities are managed effectively.

We have set up an ESG Leading Group to undertake the management responsibilities related to climate change, plan and implement various mitigation and adaptation policies and measures, and regularly report to the ESG Committee on the performance of ESG and climate-related management. At the executive level, the ESG Working Group, composed of members of the Company's headquarters and subsidiaries dedicated to climate change, coordinates various departments and subsidiaries to promote the integration of climate-related issues into daily operations. Team members have expertise on climate-related issues and practical experience in front-line operations, and regularly provide feedback on climate change-related work and recommendations for action.

CLIMATE-RELATED DISCLOSURES

STRATEGY

Climate change poses a variety of physical risks to our business, including fluvial flooding, extreme precipitation, extreme heat, etc., which may adversely affect road operations and the safety of drivers and passengers. At the same time, the global low-carbon economic transition requires large-scale transfer of resources, innovation and new technologies to improve energy efficiency and resource productivity, which may bring climate transition risks such as policy and law, technology, market and reputation, thus causing potential financial impact on the Company. On the other hand, climate change also creates opportunities to stimulate the Company to innovate and make new attempts in business, boost the transformation of Yuexiu Transport to a low-carbon economic development model, provide perfect infrastructure construction for a low-carbon society, and form core competitiveness. Under the background of “carbon peaking and carbon neutrality”, Yuexiu Transport continue to improve the climate risk management process by studying and judging policies and actively formulating measures for policies, so as to achieve effective management of own climate risks.

Yuexiu Transport is committed to improving its own climate resistance in an all-round way, so as to better cope with the risks brought by climate change, seize the new development and opportunities brought by climate change, and realize the low-carbon transformation of itself and the industrial chain.

In the design and renovation stage of the project, the local extreme climate risks should be fully considered to enhance the resilience of infrastructure to natural disasters. It is committed to reducing the carbon emissions generated by its own construction and operation, and tries to choose the scheme with low development and demolition to reduce carbon emissions under the condition of ensuring safety and quality in design.

Yuexiu Transport has increased its investment in new energy, energy-saving and environmental protection technologies. We continue to carry out the planning and implementation of photovoltaic projects, make full use of idle highway resources such as the roof of highway service stations, the roof of parking lots and noise barriers to provide clean energy for our own operations, and promote the development and transformation of energy-saving technologies for lighting equipment to reduce unit energy consumption and carbon emissions.

Yuexiu Transport has continuously strengthened disaster early warning and prevention work, established and improved the natural disaster early warning system, ensured timely access to meteorological, geological and other disaster information, formulated a sound contingency plan, and improved the ability to respond to natural disasters.

CLIMATE-RELATED DISCLOSURES

EXTREME WEATHER RESPONSE

According to the Emergency Response Law of the People's Republic of China, the Meteorological Disaster Prevention Regulations, the National Meteorological Disaster Contingency Plan and other relevant national and local laws and regulations, and in combination with the actual situation of the Company, Yuexiu Transport has formulated the Meteorological Disaster Contingency Plan of Yuexiu Transport Infrastructure Limited to deal with the meteorological disasters in Guangzhou, such as typhoon, rainstorm, high temperature, thunderstorm and gale. Other subsidiaries should also formulate their own contingency plans with reference to this plan, and conscientiously implement the prevention and emergency disposal work in accordance with the meteorological disaster contingency plan promulgated by local government departments.

In 2023, Henan Weixu Expressway, Henan Lanwei Expressway and other projects under Yuexiu Transport were affected by low temperature, rain and snow. In order to ensure the road traffic safety, Yuexiu Transport focused on, acted rapidly to snow hazards, quickly dispatched snow removal machinery and equipment to actively carry out snow removal and ice melting work, and made every effort to ensure the road traffic safety. According to statistics, about 1,173 tons of snow-melting agent were spread.



Project company convened a meeting to discuss road ice melting



Customer-centered, we take the initiative to do a good job of warm-hearted service



Project companies carry out 24-hour uninterrupted snow melting and deicing operation

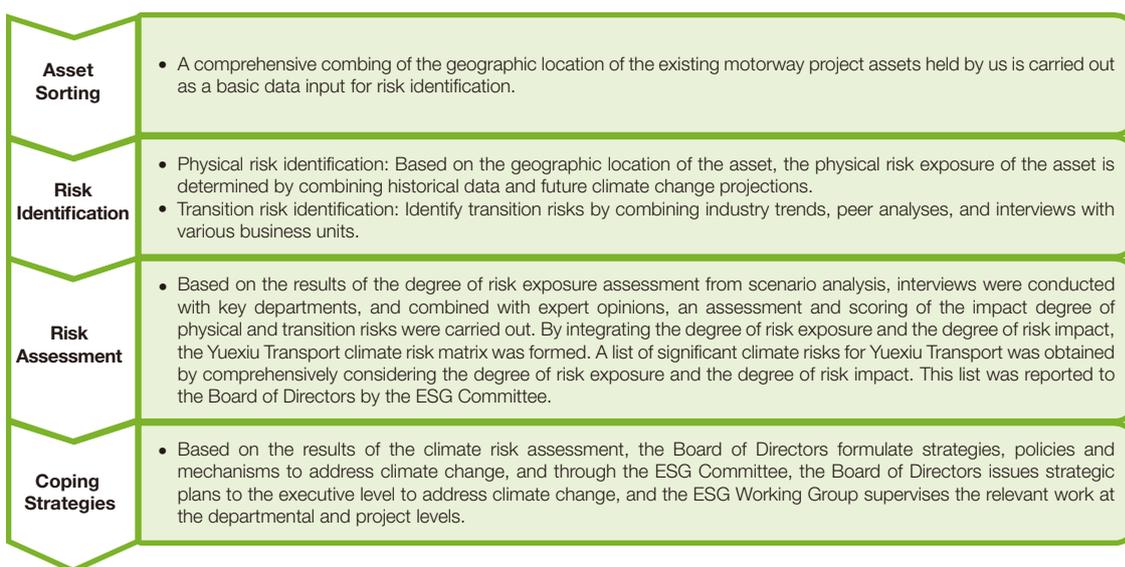


CLIMATE-RELATED DISCLOSURES

In the future development, the Company will continue to pay attention to climate change issues, pay close attention to market dynamics, and adjust business strategies in a timely manner according to climate change and policy guidance.

RISK MANAGEMENT

We have identified, ranked and managed the physical risks and transition risks that potentially affect the Company’s assets in accordance with the TCFD disclosure recommendations, including the following main processes:



Climate Risk Scenario Analysis

In order to develop a long-term strategy to protect our business from the risks associated with the transition to a green and low-carbon economy, we carefully assessed the significant business risks posed by climate change to our assets and businesses. We use scenario analysis, as recommended by the TCFD, to identify the transition risks that the Company may face.

The scenarios we use are based on climate scenarios published by international authority Network of Central Banks and Supervisors for Greening the Financial System (NGFS), incorporating global and local government policies, as well as environmental, economic, social and technological indicators and market trends, to assess the physical and transition risks that our assets may encounter in different scenarios.

1.5°C – Net Zero World Scenario	3°C – Greenhouse World Scenario
“Net Zero 2050”: Limit global warming to 1.5°C through rigorous climate policies and innovation to achieve net zero CO ₂ emissions by around 2050.	Only the current policy is implemented, assuming that the target plan of “Nationally Determined Contributions (NDCs)” is not implemented.

CLIMATE-RELATED DISCLOSURES

Climate Risk Identification and Ranking

Climate Risk Identification

Physical risk

We assess the physical risks and risk levels that may be encountered by Yuexiu Transport's assets under the two scenarios according to the distribution of the assets in provinces and cities, referring to the climate scenarios publicly released by the international authority (NGFS), and according to the hypothetical scenarios of 1.5°C and 3°C warming by 2050.

Physical risk classification	Disaster category	Indicator (unit of measurement)	Identification method
Chronic	Extreme heat	Number of days/year with temperature above 30°C (>30°C: moderate extreme high temperature, >35°C: severe extreme high temperature)	The raw data are from Coupled Model Intercomparison Project Phase 6 (CMIP6) and are corrected for bias based on the reshaped observational data (ERA5-based reanalysis data) from Inter-Sectoral Impact Model Intercomparison Project (ISIMIP) as the input data set for the climate impact assessment.
	Extreme cold	Number of days/year with temperature below 0°C (<0°C: moderate extreme cold, <-20°C: severe extreme cold)	The raw data are from CMIP6 and are corrected for bias based on the reshaped observational data from ISIMIP (ERA5-based reanalysis data) as the input data set for the climate impact assessment.
	Wind gusts	Number of days/year with maximum wind speed higher than 24 m/s (>24 m/s: moderate extreme gale, >27 m/s: severe extreme gale)	ERA-Interim reanalysis data preprocessed by Potsdam Institute for Climate Impact Research (PIK) were used as the historical baseline for the statistics.
	Heavy rain	Number of days/year with precipitation exceeding 2.5 mm/h (>2.5 mm/h: moderate extreme precipitation, >7.6 mm/h: severe extreme precipitation)	The raw data are from CMIP6 and are corrected for bias based on the reshaped observational data from ISIMIP (ERA5-based reanalysis data) as the input data set for the climate impact assessment.
	Heavy snowfall	Number of days/year with snowfall exceeding 5 cm/day (>5 cm/day: moderate extreme snowfall, >20 cm/day: severe extreme snowfall)	ERA-Interim reanalysis data preprocessed by PIK were used as the historical baseline for the statistics.

CLIMATE-RELATED DISCLOSURES

Physical risk classification	Disaster category	Indicator (unit of measurement)	Identification method
Acute	Tropical cyclones	Maximum wind speeds in meter/second	Base on that best track and wind speed of tropical cyclone provided by IBTrACS (International Best Track Archive for Climate Stewardship), the risk of typhoon attack each asset is exposed to during the base period is determined. According to the climate model, the intensity of tropical cyclones in the future is predicted, and the risk of typhoon attack for each asset in different periods and emission scenarios in the future is predicted.
	Coastal flooding	Maximum flood height in meter	PIK provides daily river flood time series data. Intergovernmental Panel on Climate Change (IPCC) assessment report provides sea level rise scenarios. The Climate Center provides Digital Elevation Models (DEMs). The Global Tide and Wave Reanalysis data set provides extreme sea level statistics for more than 16,000 coastal zones. FLOPROS data set provides regional flood-prevention levels.
	Fluvial flooding	Maximum flood height in meter	
	River low flow	Number of days/year with flow lower than 2.5%	Current and future simulated daily surface water discharge data sets from ISIMIP.
	Wildfires	Fire probability in % for a 1-yr return period	Canadian Forest Fire Weather Index (FWI) combines daily measurements of meteorological variables such as dry-bulb temperature, relative humidity, wind speed and accumulated precipitation. ISIMIP project at PIK provides forecast data. Global Fire Atlas provides historical data for the period 1979-2016. Land cover is from the Global Land Cover 2000 dataset. Altitude is from GMTED201. Fire duration is from the Global Fire Atlas.

CLIMATE-RELATED DISCLOSURES

- According to the degree of risk exposure and in combination with the projects of Yuexiu Transport in different regions, we divide the risks by the score of risk exposure into low risk, medium risk, higher risk and high risk, and conduct physical risk thermal map analysis.
- Taking the proportion of daily average toll revenue as of December 31, 2023 as the weight, the risk exposure of physical risks faced by Yuexiu Transport are ranked (from high to low): wildfire, extreme heat, fluvial flooding, heavy precipitation, river low flow, tropical cyclones, coastal flooding, extreme cold, heavy snowfall and wind gusts. Wildfires, extreme heat, fluvial flooding and heavy precipitation rainfall are the main physical risks the Company facing at present.

Risks	Current policy	1.5 °C	3 °C
Wildfires	High		
Extreme heat	High		
Fluvial flooding	Higher		
Heavy precipitation	Higher	High	
River low flow	High		
Tropical cyclones	Low		
Coastal flooding	Low		
Extreme cold	Low		
Heavy snowfall	Low		
Wind gusts	Low		

Risk exposure			
Low	Medium	Higher	High

List of Physical Risk Assessment of Yuexiu Transport

CLIMATE-RELATED DISCLOSURES

Transition risk

To achieve the goal of controlling the temperature rise within 1.5 degrees Celsius, the world needs to make significant and rapid changes, policies and regulations will be further tightened, technology may undergo significant changes due to the impact of market demand and capital inflows, and the market will also have higher and higher requirements for green low-carbon engineering products. Yuexiu Transport is facing more urgent risks in terms of policies and regulations, technology, market reputation and supply chain.

Yuexiu Transport refers to the classification of transition risks by TCFD, aims at the risks of policies and regulations, technology, market and reputation brought by the transformation of social economy to low carbon economy, combines policy sorting and industry analysis, and combines the internal operation management of enterprises to identify the transition risks applicable to Yuexiu Transport and assess the risk exposure. We divide the risks by the score of risk exposure into low risk, medium risk, higher risk and high risk. Carbon pricing and carbon tax, energy technology, company reputation and shifts in customer preferences are the major transition risks currently the Company facing.

Risks	1.5 °C	3 °C
Carbon pricing and carbon tax	High	Low
Energy technology	High	Low
Company reputation	Medium	Low
Shifts in customer preferences	Medium	Low
Investors' concerns	Medium	Low
Energy structure and energy use	Low	Low
Rising cost of raw materials	Low	Low
Customer security	Low	Low
Smart and green highway construction	Low	Low

Risk exposure			
Low	Medium	Higher	High

List of Transition Risk Assessment of Yuexiu Transport

Note: 3°C scenario refers to the assumption that in addition to the policies implemented in 2023, no other measures will be added in terms of policies, regulations and technologies, which means that the policies and regulations will not be gradually tightened, the technology will not undergo major changes, and the market demand will not change dramatically. The world, including China, still relies mainly on fossil energy, and the investment in low-carbon technology is insufficient.

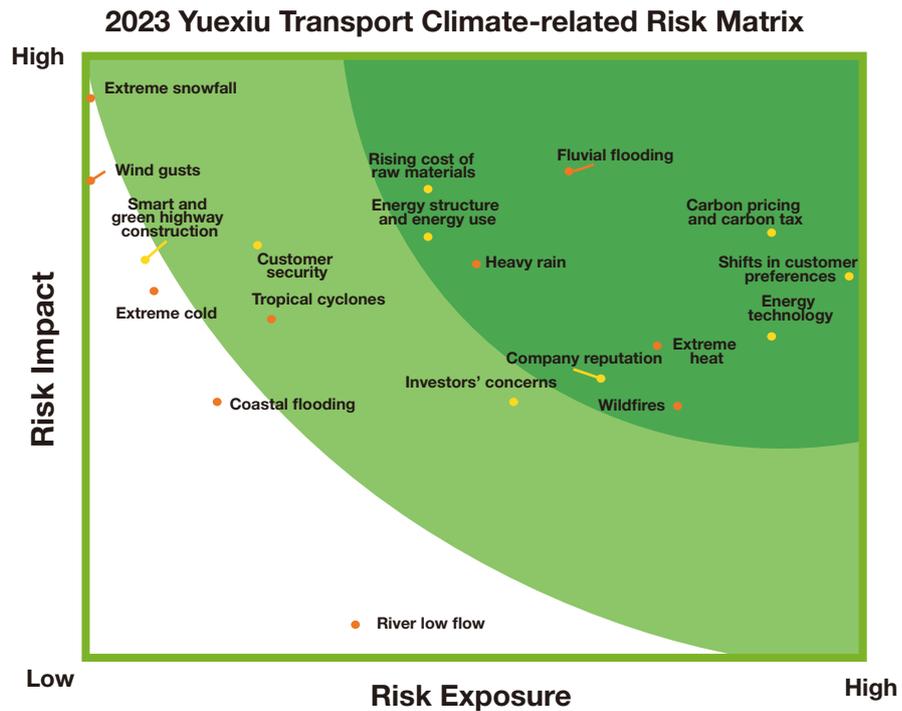
CLIMATE-RELATED DISCLOSURES

Climate Risk Ranking

We comprehensively assessed the level of risk exposure to physical and transition risks under various climate scenarios. We conducted questionnaire surveys and interviews, and by integrating expert opinions, we evaluated the risk impact of physical and transition risks.

Considering the level of climate risk exposure (derived from climate scenario analysis) and the degree of risk impact (from questionnaire surveys and interviews), we prioritized climate risks and formed the Yuexiu Transport Climate-related Risk Matrix. This matrix is designed to provide information for risk response decisions and optimize resource allocation.

The Yuexiu Transport Climate-related Risk Matrix for the year 2023 is as follows:



CLIMATE-RELATED DISCLOSURES

The ten most significant risks are:

Risk ranking	Type of risk	Risk category
1	Transition risk	Carbon pricing and carbon tax
2	Transition risk	Shifts in customer preferences
3	Physical risk	Fluvial flooding
4	Transition risk	Energy technology
5	Transition risk	Rising cost of raw materials
6	Physical risk	Heavy rain
7	Physical risk	Extreme heat
8	Transition risk	Energy structure and energy use
9	Transition risk	Company reputation
10	Physical risk	Wildfires

Response to Climate-related Risks

Based on the results of climate risk ranking, we have identified ten major climate-related risks and initially planned corresponding countermeasures, which are listed in the following table.

Major physical risk impacts and coping strategies

Risk category	Risk factors	Impact on business	Coping strategies
Acute	Fluvial flooding	<ul style="list-style-type: none"> May result in damage to infrastructure, for example, flooding may destroy pavement and damage bridge support structures. Carrying out emergency repair and maintenance work, may increase operation and maintenance costs; May result in power supply disruption or business interruption requiring additional time and resources to restore normal operations, including cleanup, repairs, safety inspections, etc. 	<ul style="list-style-type: none"> Strengthen the flood control capacity of infrastructure, such as raising the height of pavement, strengthening the design of bridge structure, etc; Establish a flood warning system and take preventive measures in advance, such as reserving electricity and supplies; Carry out regular maintenance and overhaul to ensure that the infrastructure is in good condition.

CLIMATE-RELATED DISCLOSURES

Risk category	Risk factors	Impact on business	Coping strategies
Chronic	Heavy rain	<ul style="list-style-type: none"> • May cause natural disasters such as landslides and debris flows, cause damage to infrastructure. Carrying out repair projects may increase the Company's operation and maintenance costs; • May lead to deterioration of road conditions, traffic and power outages, resulting in road congestion or closure, affecting traffic flow and resulting in a decline in toll revenue; • It may cause the delay of the construction project and affect the progress of the project, resulting in additional time impact and cost impact. 	<ul style="list-style-type: none"> • Strengthen the management of mountainous areas along the way, such as afforestation, the establishment of protective nets, etc., to reduce landslides, debris flows and other geological disasters; • Improve the design standards of road drainage facilities, strengthen the construction of drainage systems, and reduce the risk of road water accumulation; • Pay close attention to meteorological conditions, obtain early warning of extreme precipitation, and take temporary traffic control measures to reduce the impact of traffic disruption.
Chronic	Extreme heat	<ul style="list-style-type: none"> • May cause damage to infrastructure such as roads and bridges. Continuous high temperature may cause road surface cracking, asphalt softening, and even bridge bulging, resulting in an increase in the cost of maintenance and repair, and impact on the life and long-term value of the Company's assets; • May increase the difficulty of outdoor operations or lead to work stoppages, resulting in delays in the construction progress of the project, increased project costs, and greater uncertainty in the completion time. 	<ul style="list-style-type: none"> • Use high temperature resistant materials to build infrastructure, such as the use of concrete and asphalt with good thermal stability; • Reasonably arrange the construction time, avoid the high temperature period, and reduce the impact of labor productivity decline; • Improve heatstroke prevention and cooling facilities and health care measures for employees to ensure construction safety.

CLIMATE-RELATED DISCLOSURES

Risk category	Risk factors	Impact on business	Coping strategies
Acute	Wildfires	<ul style="list-style-type: none"> It may lead to road blockade, service interruption and the need to implement a series of emergency measures such as vehicle and crowd evacuation, which will affect the continuity of business operation; Insurance coverage may need to be increased to address wildfire risk, and higher insurance costs may result in higher operating costs for the business. 	<ul style="list-style-type: none"> Fire isolation zones should be set up in high-risk areas of wildfire to strengthen fire source management and reduce fire risk; Equipped with professional fire emergency teams, regularly carry out fire contingency plan drills; Increase fire insurance coverage to ensure that the Company is compensated promptly and financially in the event of a fire.

Impact of Major Transition Risks and Coping Strategies

Risk category	Risk factors	Impact on business	Coping strategies
Policies, laws and regulations	Carbon pricing and carbon tax	<ul style="list-style-type: none"> Increasing budgetary uncertainty; Fluctuations in the prices of road construction materials, such as cement, may require price reductions or the search for alternative materials, resulting in a longer procurement cycle for the project; Fluctuations in raw material prices may lead to uncertainty in the return on investment of the project. 	<ul style="list-style-type: none"> Gradually establish a carbon emission monitoring system to grasp carbon emission data in real time so as to adjust strategies and decisions; Actively carry out carbon emission reduction projects, such as energy conservation and emission reduction, renewable energy utilization, etc., to reduce the cost of carbon tax; Pay attention to the dynamics of carbon pricing policy, and make budget adjustments and coping strategies in advance.

CLIMATE-RELATED DISCLOSURES

Risk category	Risk factors	Impact on business	Coping strategies
Technology	Energy technology	<ul style="list-style-type: none"> It is impossible to achieve efficiency in energy use and increase energy costs; Increase the cost of purchasing commercial carbon reduction technologies. 	<ul style="list-style-type: none"> Introduce advanced energy management system to improve energy efficiency and reduce energy costs; Develop energy technology research and development, master core technologies, and reduce the cost of purchasing commercial carbon reduction technologies; Regularly evaluate the development trend of energy technology and lay out the application of new technology in advance.
Market and reputation	Shifts in customer preferences	<ul style="list-style-type: none"> In order to meet the new demands of charging and battery maintenance services in the market, the cost of infrastructure upgrading projects such as reconstruction and expansion has increased. 	<ul style="list-style-type: none"> Pay attention to the market dynamics, adjust the product and service strategy in time to meet the new needs of customers; Strengthen communication and interaction with customers, understand changes in customer needs, and optimize business layout; Carry out infrastructure upgrading projects, such as charging piles and power exchange stations, to adapt to market changes.

CLIMATE-RELATED DISCLOSURES

Risk category	Risk factors	Impact on business	Coping strategies
Market and reputation	Rising cost of raw materials	<ul style="list-style-type: none"> • Direct impact on highway construction and maintenance costs; • It may generate greater capital exposure and increase the difficulty of financing. 	<ul style="list-style-type: none"> • Establish a diversification strategy of raw material suppliers to cope with price fluctuations and supply risks; • Strengthen procurement management by establishing preliminary procurement requirements and developing a comprehensive annual maintenance plan in advance, to determine procurement needs and progress management, and reduce costs through bulk procurement, long-term contracts, and other methods; • Optimize engineering process, improve resource utilization and reduce raw material consumption.
Policies, laws and regulations	Energy structure and energy use	<ul style="list-style-type: none"> • The need for increased capital investment and expenditure to meet policy requirements; • Managing and improving emissions requires the introduction of new carbon reduction schemes, resulting in higher R&D investment and operating costs. 	<ul style="list-style-type: none"> • Increase investment in and research and development of clean energy, gradually replace traditional energy, and reduce carbon emissions; • Gradually introduce energy management system, optimize energy use structure and improve energy efficiency; • Strengthen cooperation with the government, universities and scientific research institutions to jointly promote energy technology innovation.
Market and reputation	Company reputation	<ul style="list-style-type: none"> • Increase reputation and litigation risk, and affect corporate image; • Increase the pressure of negative public opinion. 	<ul style="list-style-type: none"> • Establish corporate social responsibility awareness, actively fulfill environmental protection, public welfare and other responsibilities; • Establish and improve the community communication plan and public opinion monitoring mechanism, and respond to negative public opinion in a timely manner.

CLIMATE-RELATED DISCLOSURES

Climate-related Opportunity Identification and Strategies

Climate change brings not only associated risks, but also new opportunities. As a leading transportation infrastructure investment operator in China, Yuexiu Transport attaches great importance to the challenges and opportunities brought by climate change, and actively takes measures to deal with them and seize the green opportunities. Yuexiu Transport identifies the following five climate-related opportunities by analyzing the potential impact of climate change on the transport industry and combining its own core competitiveness elements:

Category	Climate-related opportunities	Next step plan
Climate resistance	Implement relevant plans to enhance climate resistance	<ul style="list-style-type: none"> Risks related to climate change shall be taken into account in the new construction, renovation and operation of a project, and planning shall be made in advance according to the temperature, precipitation, snowfall and other factors in different regions, so as to adapt to the climate and reduce the losses caused by the climate.
Smart and green highway construction	Deploy the transformation and upgrading route of smart and green highway in advance	<ul style="list-style-type: none"> Promote energy conservation and emission reduction by upgrading intelligence in highway operation process and promoting lean management by strict control over the use of supplies, so as to achieve long-term cost reduction and efficiency enhancement.
Shifts in customer preferences	The market has a greater demand for roads with perfect intelligent green infrastructure	<ul style="list-style-type: none"> Provide complete supporting new energy infrastructure to attract traffic and increase charging channels. Actively promote intelligent toll stations and expand the supporting equipment of charging piles in service stations.
Company reputation	Maintain openness and transparency, actively disclose to the public, actively listen to public feedback and improve accordingly	<ul style="list-style-type: none"> Actively pay attention to the world climate change situation, participate in relevant industry activities or public welfare activities, create a responsible corporate image, and enhance public trust.
Investors' concerns	Increased investor demand for environmental and low-carbon financing and investment	<ul style="list-style-type: none"> Actively strengthen ESG management practices and information disclosure, improve its environmental and social performance, and create high-quality underlying assets to enhance financing capacity.

CLIMATE-RELATED DISCLOSURES

Yuexiu Transport continues to pay attention to the impact of climate change on the transport industry, and regularly assesses climate-related opportunities and risks. According to the evaluation results, Yuexiu Transport adjusts the investment strategy and operation direction to ensure that the Company's business is compatible with climate change.

METRICS AND TARGETS

Yuexiu Transport supports China's plan to achieve carbon dioxide peaking and carbon neutrality and the solemn commitment to address climate change. We will further explore practical climate change solutions based on existing energy conservation and emission reductions measures, and advance the construction of a suitable governance system related to climate change. Yuexiu Transport will continuously deepen energy conservation and emissions reduction measures in all aspects of its business operations.

To address the transition risk, the corresponding business departments of Yuexiu Transport actively studies policies to ensure timely response. For extreme weather, in both flood season and typhoon season, we perform safety management properly, organize affiliates to develop work programs for flood control and preparation and typhoon control, and apply special safety inspections to key flood control sites as well as equipment and facilities including roads, traffic safety facilities, drainage facilities, power-consuming facilities and contractors' operation sites.

In addition, Yuexiu Transport will take emissions, waste, energy efficiency, water efficiency and other environment targets as climate change-related tracking metrics and targets. The following table lists the core indicators that we continue to focus on.

Indicators	Aim	Achievements in 2023
Emissions	Reduce greenhouse gas emissions per kilometer	In 2023, greenhouse gas emissions per kilometer were 32.06 tons of carbon dioxide equivalence, down 1.4% from the previous year.
Waste	Recycling rate of used asphalt materials to reach 100%	This year, the recycling rate of old asphalt reached 100%.
Energy efficiency	Reduce energy consumption per kilometer	Energy consumption per kilometer in 2023 was 59.58 MWh, down 8% from the previous year.
Water efficiency	Reduce water consumption per kilometer	Water consumption per kilometer in 2023 was 634.65 m ³ , down 6.6% from the previous year.

OUTLOOK

We strive to make progress every day, and promote the development of the Group. 2024 is the key year to fully complete the objectives and tasks of the “14th Five-Year Plan”. Facing both opportunities and challenges, the development of Yuexiu Transport is still promising. In this new year, we will focus on economic construction and high-quality development, fully, accurately and comprehensively implement the new development concept, actively respond to the requirements of the national carbon peak and carbon neutralization target, address to the uncertainties of the external environment with our own conscientious and responsible determination, and consolidate and expand the sound operation of enterprises. We will unswervingly join hands with all stakeholders to move towards a more sustainable future.

It is the mission and dream of our generation to build Yuexiu Transport as a leading transportation infrastructure asset management company in China. In the new year, we will promote sustainable development in the long run, focus on long-term goals, long-term structural layout and momentum for long-term success, and make every effort to promote major issues related to the long-term development of transportation, such as the expansion of main business investment, the GNSR Expressway Reconstruction and Expansion Project, and the establishment of incubation platform, so as to consolidate our cornerstone. In order to achieve the goal of carbon peaking and carbon neutrality, we will leverage the current increasingly sophisticated and intensified green projects and green operations, in order to minimize the impact of road building, construction and operation on the environment. We deepen our green management, explore development of green and smart transport and lead the industry in co-integration and co-creation. Based on our position, we will find solutions, take practical measures and make continuous improvement in enhancing the efficiency and effectiveness of the company’s operation and management, step by step, and realize the “3331” strategic blueprint.

Guardian of the history, herald of the future, embrace a splendid new chapter through continuous effort. On the new journey, our future is bright despite the uneven roads ahead. In the face of risks and challenges, we will maintain our strategic strength, continue to take the “14th Five-Year Plan” development blueprint as the guide, carry forward the culture of “the way of faith”, move forward bravely along the “3331” strategic road, rely on tenacious struggle to open up a new world of career development, and write a new chapter of high-quality development of Yuexiu Transport with struggle and sweat!

APPENDIX

LIST OF MAIN APPLICABLE LAWS, REGULATIONS, STANDARDS AND INTERNAL POLICIES

Aspect	Laws, regulations and standards	Internal policies
A1 Emissions	<i>Environmental Protection Law of the People's Republic of China</i>	<i>Yuexiu Transport Infrastructure Limited Road Engineering Maintenance Management Method</i>
	<i>Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste</i>	<i>Yuexiu Transport Infrastructure Limited Road Maintenance Engineering Completion (Handover) Acceptance Management Method</i>
	<i>Law of the People's Republic of China on Prevention and Control of Water Pollution</i>	<i>Measures for Management of Business Plans of Yuexiu Transport Infrastructure Limited</i>
	<i>Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution</i>	<i>Yuexiu Transport Infrastructure Limited Expressway Maintenance Management Comprehensive Inspection Implementation Method (Trial)</i>
	<i>Environmental Impact Assessment Law of the People's Republic of China</i>	<i>Measures for Administration of Inspection and Acceptance of Road Maintenance Projects Upon Completion (or Delivery) of Yuexiu Transport Infrastructure Limited</i>
	<i>National Catalogue of Hazardous Wastes</i>	<i>Measures for Administration of Change of Road Maintenance Projects of Yuexiu Transport Infrastructure Limited</i>
	<i>Regulations on the Administration of Construction Project Protection – Environmental Protection</i>	
	<i>Specifications for Environmental Impact Assessment of Highway</i>	
A2 Resource use	<i>Energy Conservation Law of the People's Republic of China</i>	
	<i>Law of the People's Republic of China on Promotion of Clean Production</i>	
A3 Environment and Natural Resources	<i>Water and Soil Conservation Law of the People's Republic of China</i>	
	<i>Inspection and Evaluation Quality Standards for Highway Maintenance Engineering Section 1 Civil Engineering</i>	
	<i>Land Administration Law of the People's Republic of China</i>	
	<i>Regulations of the People's Republic of China on the Protection of Basic Farmland</i>	

APPENDIX

Aspect	Laws, regulations and standards	Internal policies
A4 Climate change	<i>Responding to Climate Change: China's Policies and Actions</i>	<i>Yuexiu Transport Infrastructure Limited Emergency Response Plan for Production Safety Incidents</i>
	<i>Meteorological Law of the People's Republic of China</i>	<i>Meteorological Disaster Contingency Plan of Yuexiu Transport Infrastructure Limited</i>
	<i>Flood Control Law of the People's Republic of China</i>	
	<i>Regulations on Forest Fire Prevention</i>	
	<i>Regulations on Prevention of Meteorological Disasters</i>	
	<i>National General Contingency Plans for Public Emergencies</i>	
	<i>National Meteorological Disaster Contingency Plans</i>	
	<i>Regulations of Guangdong Province on Prevention of Meteorological Disasters</i>	
<i>Contingency Plans of Meteorological Disasters in Guangdong Province</i>		
B1 Employment	<i>Labor Law of the People's Republic of China</i>	<i>Yuexiu Transport Infrastructure Limited Recruitment Management System</i>
	<i>Labor Contract Law of the People's Republic of China</i>	<i>Salary Management Measures at Yuexiu Transport Infrastructure Limited</i>
	<i>Social Insurance Law of the People's Republic of China</i>	
	<i>Individual Income Tax Law of the People's Republic of China</i>	<i>Measures for Administration of Labor Contracts at Yuexiu Transport Infrastructure Limited</i>
	<i>Yuexiu Transport Infrastructure Limited Human Resource Management Method for Subsidiaries</i>	
	<i>Yuexiu (China) Transport Infrastructure Investment Limited Trade Union Work Management Method</i>	
	<i>Regulations on the Staff Mutual Aid Fund of Yuexiu Transport Infrastructure Limited</i>	
	<i>Measures for Supplementary Medical Fund at Yuexiu Transport Infrastructure Limited</i>	

APPENDIX

Aspect	Laws, regulations and standards	Internal policies
B2 Health and safety	<i>Labor Law of the People's Republic of China</i>	<p><i>Measures for Work Safety Management of Yuexiu Transport Infrastructure Limited</i></p> <p><i>Yuexiu Transport Infrastructure Limited Emergency Response Plan for Production Safety Incidents</i></p> <p><i>Yuexiu Transport Infrastructure Limited Production Safety Responsibility Management Method</i></p> <p><i>Safety Risk Classified Control Work Guide of Yuexiu Transport Infrastructure Limited (Trail)</i></p> <p><i>Measures for Investment on Safety of Yuexiu Transport Infrastructure Limited</i></p> <p><i>Yuexiu Transport Infrastructure Limited Relevant Safety Management Methods</i></p> <p><i>Measures for the Management of Safety Education and Trainings of Yuexiu Transport Infrastructure Limited</i></p>
	<i>Labor Contract Law of the People's Republic of China</i>	
	<i>Social Insurance Law of the People's Republic of China</i>	
B3 Development and training	<i>Labor Law of the People's Republic of China</i>	<p><i>Yuexiu Transport Infrastructure Limited Position Management Method</i></p> <p><i>Measures for the Management of Staff Promotion of Yuexiu Transport Infrastructure Limited</i></p> <p><i>Yuexiu Transport Infrastructure Limited Implementation Guidelines for Dual-track System of Employee Career Development in Subsidiaries (Trial)</i></p> <p><i>Performance Management Measures for Employees of Yuexiu Transport Infrastructure Limited</i></p> <p><i>Yuexiu Transport Infrastructure Limited Training Management Measures</i></p>
	<i>Labor Contract Law of the People's Republic of China</i>	
	<i>Social Insurance Law of the People's Republic of China</i>	

APPENDIX

Aspect	Laws, regulations and standards	Internal policies
B4 Labour standards	<i>Labor Law of the People's Republic of China</i>	<i>Measures for the Management of Recruitment at Yuexiu Transport Infrastructure Limited</i>
	<i>Labor Contract Law of the People's Republic of China</i>	<i>Yuexiu Transport Infrastructure Limited Labor Contract Management Method</i>
	<i>Social Insurance Law of the People's Republic of China</i>	<i>Yuexiu Transport Infrastructure Limited Supplementary Medical Fund Management Method</i>
	<i>Provisions on Prohibition of Child Labor</i>	
B5 Supply chain management	<i>Company Law of the People's Republic of China</i>	<i>Measures for the Management of Procurement of Yuexiu Transport Infrastructure Limited</i>
	<i>Civil Code of the People's Republic of China</i>	<i>Yuexiu Transport Infrastructure Limited Road Maintenance Engineering Bidding and Procurement Management Implementation Rules (Trial)</i>
	<i>Law of the People's Republic of China on Tenders and Bids</i>	<i>Measures for the Management of Suppliers of Yuexiu Transport Infrastructure Limited</i>
	<i>Regulation on the Implementation of the Bidding Law of the People's Republic of China</i>	
	<i>Government Procurement Law of the People's Republic of China</i>	

APPENDIX

Aspect	Laws, regulations and standards	Internal policies
B6 Product responsibility	<i>Law of the People's Republic of China on Road Traffic Safety</i>	<i>Yuexiu Transport Infrastructure Limited Traffic Safety Management System</i>
	<i>Production Safety Law of the People's Republic of China</i>	<i>Management Measures for Completion (Delivery) Acceptance of Highway Maintenance Works of Yuexiu Transport Infrastructure Limited</i>
	<i>Emergency Response Law of the People's Republic of China</i>	<i>Yuexiu Transport Infrastructure Limited Road Engineering Maintenance Management Method</i>
	<i>Measures for the Administration of Contingency Plans for Work Safety Accidents</i>	<i>Yuexiu Transport Infrastructure Limited Expressway Maintenance Management Comprehensive Inspection Implementation Method (Trial)</i>
	<i>Highway Law of the People's Republic of China</i>	<i>Yuexiu Transport Infrastructure Limited Emergency Response Plan for Production Safety Incidents</i>
	<i>Measures for the Management of Highway Maintenance</i>	<i>Yuexiu Transport Infrastructure Limited Emergency Response Plan for Unexpected Events</i>
	<i>Technical Specifications for Highway Maintenance</i>	<i>Measures of Cyber and Information Security Incidents at Yuexiu Transport Infrastructure Limited</i>
	<i>Cyber security Law of the People's Republic of China</i>	<i>Emergency Response Plan for Cyber and Information Security of Yuexiu Transport Infrastructure Limited (Trial)</i>
B7 Anti-corruption	<i>Evaluation Standards for Highway Technical Conditions</i>	<i>Yuexiu Transport Infrastructure Limited Research Project Management Method (Trial)</i>
	<i>ICAC Ordinance of Hong Kong Special Administrative Region</i>	<i>Measures for the Implementation of Decision-making System of Yuexiu (China) Transport Infrastructure Investment Company Limited</i>
B8 Community investment	<i>Prevention of Bribery Ordinance of Hong Kong Special Administrative Region</i>	<i>Yuexiu Transport Implementation Method for Implementing the Main Responsibility of Party Conduct and Anti-corruption Work</i>
	<i>Charity Law of the People's Republic of China</i>	<i>Yuexiu Transport Infrastructure Limited Procurement Management Method</i>
B8 Community investment	<i>Law of the People's Republic of China on Donations for Public Welfare</i>	<i>Measures for Management of the Three Public Expenses (Public Spending on Purchase and Use of Cars, Overseas Trips and Official Receptions) of Yuexiu Transport Infrastructure Limited</i>
		<i>Policy Statement on Community Relations</i>

APPENDIX

CONTENT INDEX FOR ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Aspect	Key performance indicators	Corresponding page number of report chapter and statement
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.	LOW-CARBON ORIENTED • PROMOTING GREEN DEVELOPMENT LIST OF MAIN APPLICABLE LAWS, REGULATIONS, STANDARDS AND INTERNAL POLICIES
A1.1	The types of emissions and respective emission data.	Data table
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	LOW-CARBON ORIENTED • PROMOTING GREEN DEVELOPMENT Data table
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Data table
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Data table
A1.5	Description of emissions target(s) set and steps taken to achieve them.	LOW-CARBON ORIENTED • PROMOTING GREEN DEVELOPMENT
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.	LOW-CARBON ORIENTED • PROMOTING GREEN DEVELOPMENT

APPENDIX

Aspect	Key performance indicators	Corresponding page number of report chapter and statement
A2	Use of resources	
General disclosure	Policies on efficient use of resources, including energy, water and other raw materials.	LOW-CARBON ORIENTED • PROMOTING GREEN DEVELOPMENT LIST OF MAIN APPLICABLE LAWS, REGULATIONS, STANDARDS AND INTERNAL POLICIES
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Data table
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Data table
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	LOW-CARBON ORIENTED • PROMOTING GREEN DEVELOPMENT
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	LOW-CARBON ORIENTED • PROMOTING GREEN DEVELOPMENT
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable, no package in materials for finished products would be generated.
A3	Environment and Natural Resources	
General disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	LOW-CARBON ORIENTED • PROMOTING GREEN DEVELOPMENT LIST OF MAIN APPLICABLE LAWS, REGULATIONS, STANDARDS AND INTERNAL POLICIES
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	LOW-CARBON ORIENTED • PROMOTING GREEN DEVELOPMENT

APPENDIX

Aspect	Key performance indicators	Corresponding page number of report chapter and statement
A4	Climate change	
General disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	LOW-CARBON ORIENTED • PROMOTING GREEN DEVELOPMENT CLIMATE-RELATED DISCLOSURES LIST OF MAIN APPLICABLE LAWS, REGULATIONS, STANDARDS AND INTERNAL POLICIES
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	LOW-CARBON ORIENTED • PROMOTING GREEN DEVELOPMENT CLIMATE-RELATED DISCLOSURES
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.	PEOPLE-ORIENTED • EMPOWERING EMPLOYEE DEVELOPMENT LIST OF MAIN APPLICABLE LAWS, REGULATIONS, STANDARDS AND INTERNAL POLICIES
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Data table
B1.2	Employee turnover rate by gender, age group and geographical region.	Data table
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.	PEOPLE-ORIENTED • EMPOWERING EMPLOYEE DEVELOPMENT QUALITY-ORIENTED • LEADING SMART AND SMOOTH TRANSPORT LIST OF MAIN APPLICABLE LAWS, REGULATIONS, STANDARDS AND INTERNAL POLICIES
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Data table
B2.2	Lost days due to work injury.	Data table
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	QUALITY-ORIENTED • LEADING SMART AND SMOOTH TRANSPORT

APPENDIX

Aspect	Key performance indicators	Corresponding page number of report chapter and statement
B3	Development and training	
General disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	PEOPLE-ORIENTED • EMPOWERING EMPLOYEE DEVELOPMENT LIST OF MAIN APPLICABLE LAWS, REGULATIONS, STANDARDS AND INTERNAL POLICIES
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Data table
B3.2	The average training hours completed per employee by gender and employee category.	Data table
B4	Labor 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.	PEOPLE-ORIENTED • EMPOWERING EMPLOYEE DEVELOPMENT LIST OF MAIN APPLICABLE LAWS, REGULATIONS, STANDARDS AND INTERNAL POLICIES
B4.1	Description of measures to review employment practices to avoid child and forced labour.	PEOPLE-ORIENTED • EMPOWERING EMPLOYEE DEVELOPMENT
B4.2	Description of steps taken to eliminate such practices when discovered.	PEOPLE-ORIENTED • EMPOWERING EMPLOYEE DEVELOPMENT
B5	Supply chain management	
General disclosure	Policies on managing environmental and social risks of the supply chain.	MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER LIST OF MAIN APPLICABLE LAWS, REGULATIONS, STANDARDS AND INTERNAL POLICIES
B5.1	Number of suppliers by geographical region.	Data table

APPENDIX

Aspect	Key performance indicators	Corresponding page number of report chapter and statement
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER
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.	QUALITY-ORIENTED • LEADING SMART AND SMOOTH TRANSPORT LIST OF MAIN APPLICABLE LAWS, REGULATIONS, STANDARDS AND INTERNAL POLICIES
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable. Yuexiu Transport does not provide products to road users.
B6.2	Number of products and service-related complaints received and how they are dealt with.	QUALITY-ORIENTED • LEADING SMART AND SMOOTH TRANSPORT Data table
B6.3	Description of practices relating to observing and protecting intellectual property rights.	RESPONSIBILITY-ORIENTED • STRENGTHEN LEAN OPERATION
B6.4	Description of quality assurance process and recall procedures.	QUALITY-ORIENTED • LEADING SMART AND SMOOTH TRANSPORT
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	QUALITY-ORIENTED • LEADING SMART AND SMOOTH TRANSPORT

APPENDIX

Aspect	Key performance indicators	Corresponding page number of report chapter and statement
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.	RESPONSIBILITY-ORIENTED • STRENGTHEN LEAN OPERATION LIST OF MAIN APPLICABLE LAWS, REGULATIONS, STANDARDS AND INTERNAL POLICIES
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Data table
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	RESPONSIBILITY-ORIENTED • STRENGTHEN LEAN OPERATION
B7.3	Description of anti-corruption training provided to directors and staff.	RESPONSIBILITY-ORIENTED • STRENGTHEN LEAN OPERATION
B8	Community investment	
General disclosure	Policies on community engagement to understand the needs of community where the issuer operates and to ensure its activities take into consideration the communities' interests.	MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER LIST OF MAIN APPLICABLE LAWS, REGULATIONS, STANDARDS AND INTERNAL POLICIES
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER
B8.2	Resources contributed (e.g. money or time) to the focus areas.	MUTUAL-BENEFIT ORIENTED • HAND IN HAND AND MOVE TOGETHER Data table

APPENDIX

PERFORMANCE INDICATORS

Data Table

ESG Indicators	Unit	2023	2022	2021
Environmental indicators ¹				
Emissions				
Nitrogen oxides	Ton	4.65	4.04	3.51
Sulfur dioxide	Kg	9.03	9.60	7.88
Particulate matter	Kg	416	362	319
Total emission of greenhouse gas ^{2,3,4}	Ton of CO ₂ equivalence	17,833	18,093	16,171
Greenhouse gas emission density ^{2,3,4}	Ton of CO ₂ equivalence/km ⁸	32.06	32.53	32.65
Greenhouse gas emissions (Scope 1) ^{3,4,5}	Ton of CO ₂ equivalence	1,615	1,858	1,523
Greenhouse gas emissions (Scope 2) ^{2,3,4,5}	Ton of CO ₂ equivalence	16,217	16,235	14,648
Hazardous waste				
Waste light tube	Kg	214.15	547.48	831.34
Waste printer toner cartridges	Kg	481.89	537.98	900.41
Total hazardous waste	Kg	696.04	1,085.46	1,731.75
Hazardous waste density	Kg/km ⁸	1.25	1.95	3.50
Non-hazardous waste				
Bituminous concrete ⁶	Ton	121,021	41,502	164,379
Non-hazardous waste density ⁶	Ton/km	217.58	74.62	331.95
Energy consumption in total and density				
Total energy consumption	MWh	33,138	36,015	29,979
Energy consumption intensity	MWh/km ⁸	59.58	64.75	60.54
Electricity consumption ²	KWh	26,673,437	28,468,085	24,008,450
Gasoline consumption	Litre	463,263	491,172	341,778
Diesel consumption	Litre	138,053	148,008	177,071
LPG consumption	Ton	58	97	73
Natural gas consumption	m ³	13,743	31,467	15,211

APPENDIX

ESG Indicators	Unit	2023	2022	2021
Use of resources				
Pitch mixture ⁶	Ton	159,117	84,840	217,077
Cement concrete (new material)	Ton	10,950	15,892	6,487
Cement concrete (recycled material)	Ton	0	1,947	–
Stone material ⁶	Ton	40,516	1,134	42,501
Environment-friendly snow melting agent ⁷	Ton	1,948	1,570	476
Curing agent	Ton	0	5	0
Paint	Ton	27	31	7
Steel	Ton	1,142	2,298	1,518
Paper for receipts/invoices of toll stations	Ton	4.67	5.22	6.47
Water consumption in total and density				
Total water consumption	m ³	352,995	378,010	416,661
Water consumption per capita	m ³ /person	165.41	174.68	206.06
Water consumption per km	m ³ /km	634.65	679.63	841.40
Social indicators ¹				
Total workforce				
Total employees	Person	2,134	2,164	2,022
By gender				
Male	Person	1,193	1,197	1,105
Female	Person	941	967	917
By age				
29 and below	Person	597	677	681
30 to 49	Person	1,379	1,343	1,202
50 and above	Person	158	144	139
By employment type				
Managerial staff	Person	187	182	175
Non-managerial staff	Person	1,947	1,982	1,847

APPENDIX

ESG Indicators	Unit	2023	2022	2021
By region				
Employees whose registered permanent residence is their province	Person	1,828	1,871	1,746
Employee turnover rate				
Total turnover rate of employee	%	7.10	9.24	12.31
By gender				
Male	%	6.87	8.19	12.31
Female	%	7.38	10.55	12.32
By age				
29 and below	%	11.03	18.91	22.17
30 to 49	%	4.44	4.02	6.74
50 and above	%	13.66	12.50	12.23
By employment type				
Managerial staff	%	3.61	4.40	8.00
Non-managerial staff	%	7.42	9.69	12.72
By region				
Turnover rate of employees whose registered permanent residence is in their province	%	6.97	7.80	11.05
Health and safety				
Work-related fatalities	Person	0	0	0
Work-related fatality rate	%	0	0	0
Number of work-related injuries	Time	0	0	0
Total days lost due to work-related injuries	Day	0	0	0
The number of employees trained				
Total number of trained employees	Person	2,134	2,164	2,022
Percentage of employees trained	%	100	100	100

APPENDIX

ESG Indicators	Unit	2023	2022	2021
By gender				
Male	%	55.90	55.31	54.65
Female	%	44.10	44.69	45.35
By employment type				
Managerial staff	%	8.76	8.41	8.65
Non-managerial staff	%	91.24	91.59	91.35
Training hours of employees				
Total training hours	Hour	117,957	99,948	108,293
Average training hours	Hour/person	55	46	54
By gender				
Male	Hour/person	56	47	56
Female	Hour/person	55	46	51
By employment type				
Managerial staff	Hour/person	64	68	46
Non-managerial staff	Hour/person	54	44	54
Management of suppliers				
Total number of suppliers ⁹	Number of suppliers	3,255	2,319	1,758
Within the province	Number of suppliers	938	725	579
Out of the province	Number of suppliers	2,317	1,594	1,179
Complaint statistics				
Total complaints	Time	62	51	139
Business complaints	Time	21	34	62
Service complaints	Time	33	10	28
Other complaints	Time	8	7	49

APPENDIX

ESG Indicators	Unit	2023	2022	2021
Anti-corruption				
Number of corruption cases filed or closed	Case	0	0	0
Number of anti-corruption trainings provided for directors and employees	Time	32	29	34
Number of directors attending anti-corruption trainings	Person	4	7	–
Number of employees attending anti-corruption trainings	Person	1,295	1,417	–
Total hours of anti-corruption trainings for directors	Hour	60	46.5	–
Total hours of anti-corruption trainings for employees	Hour	7,786	7,228	–
Directors attending anti-corruption trainings	Attendance	56	46	–
Employees attending anti-corruption trainings	Attendance	6,491	6,679	–
Community investment				
Community charity investment – public welfare donation	RMB10k	Not applicable	Not applicable	22.46
Community charity investment – volunteer hours ¹⁰	Hour	1,994	68,000	–

APPENDIX

Notes:

1. The ESG data of 2023 covers the headquarters and subsidiaries of Yuexiu Transport.
2. After checking the electricity bill statistics, the electricity consumption in 2022 is revised to 28,468,085.38 kWh to ensure the consistency and comparability of the statistical caliber of the data. We correct the relevant indicators affected by the electricity consumption in 2022. It includes total greenhouse gas emissions, greenhouse gas emission intensity, other greenhouse gas emissions (scope II), total energy consumption and total energy consumption intensity indicators.
3. Carbon emissions only refer to carbon dioxide emissions, excluding greenhouse gases such as methane and nitrous oxide emitted by other sources.
4. The calculation of greenhouse gas emissions refers to the *Guidelines on Accounting Methods and Reporting of Greenhouse Gas Emissions from Other Industrial Enterprises* and the *Guidelines on Reporting of Environmental Key Performance Indicators in Appendix II of the HKEX's How to Prepare Environmental, Social and Governance Reports*. Among them, the carbon emission factor of purchased electricity is calculated according to the greenhouse gas emission performance data in 2023, referring to the standard of *Notice on the Management of Greenhouse Gas Emission Reporting of Enterprises in Power Generation Industry from 2023 to 2025*, and adopting the average power grid emission factor of each province in China issued by the Ministry of Ecology and Environment of the People's Republic of China in October 2023.
5. According to ISO 14064 greenhouse gas standards, the direct greenhouse gas emissions (scope 1) refer to emission directly from the emission sources owned and controlled by the organization, such as emissions from its own vehicles. Indirect greenhouse gas emissions (scope 2) refer to emission from the indirect emission sources of energy, such as indirect greenhouse gas emissions caused by purchased electricity.
6. In 2023, some projects, including Tianjin Jinxiang, Henan Lanwei and Weixu, carried out pavement maintenance works related to waste asphalt concrete, asphalt mixture and stone, and the maintenance work related to paint and steel decreased, resulting in fluctuations in the use of related resources.
7. In 2023, the snowfall in Hubei, Henan and other regions increased compared with 2022, and the long duration of ice and snow weather led to an increase in the use of snow-melting agents.
8. The kilometer values in the data table are calculated based on the total mileage (calculated by 100%) of the holding company.
9. In 2023, due to the addition of new suppliers for the renovation and expansion projects, there was an increase in the cumulative number of suppliers.
10. In 2023, volunteer service hours decreased compared to 2022, mainly because the volunteer service hours significantly increased in the same period last year due to the public health incident, and this year returned to a normalized level of volunteer service.

APPENDIX

GLOSSARY OF TERMS

No.	Terms	Definitions
1	excavation	It refers to the part of the bedrock that has been excavated from the original ground to the bedrock surface when the bedrock surface is lower than the original ground. It can also refer to its volume.
2	abandoned earth	Abandoned earth is the excess earth that is generated during the excavation process or material that is not suitable for the original project.
3	filling	It refers to the earth that is deposited on the surface of a roadway when it is higher than the original ground.
4	straightening the route	In road engineering, a section of the existing road is cut off and then rebuilt to improve its route, shorten distances, increase road capacity or make it smoother.
5	cast-in-place box girders	A cast-in-place box girder is a structure that is built up from the original support and is erected on site.
6	steel box girders	A thin-walled closed-section structural beam made of steel as a building material.
7	precast concrete girders	Structural girders made of prestressed concrete, which are constructed by laying down the stressed prestressed steel beam through tensile or other methods, generally in a factory or other specific site to complete the prefabrication work, can improve the efficiency of material use and reduce the environmental impact of construction.
8	hot recycling green maintenance technology	A kind of road maintenance technique whereby old asphalt pavements are recycled, and new asphalt mixtures are added in proportion if necessary. This technology can significantly improve the efficiency of material utilization, effectively reduce road diseases and extend the life of roads.
9	NovaChip ultra-thin wearing course overlay construction technology (microsurfacing overlay technology)	The use of special machinery to lay the hot asphalt mix directly on the sprayed modified emulsified asphalt bonding layer, generally 15mm-25mm thick, allows the rapid development of a thin layer of asphalt road surface construction technology for traffic.

APPENDIX

No.	Terms	Definitions
10	Radio Frequency Identification (RFID) system	A technology for automatic identification of information stored on a label by means of radio waves and its reading, used in electronic toll systems on highways.
11	inverted L-shaped pier	The design of bridges is similar to the inverted “L” of English letters, which are widely used in bridge construction. This design saves material and space while maintaining structural stability.
12	YOLOv7 (You Only Look Once v7) target rapid detection network	YOLOv7 is a high-performance target detection algorithm, the latest in the YOLO (You Only Look Once) series. YOLOv7 uses improved network architectures such as the ELAN module and PaFPN, along with new technologies such as RepConv and SimOTA to optimize feature extraction and target prediction processes for increased accuracy while maintaining fast detection speed.
13	WeChat mobile phone number quick verification component	WeChat Mobile Number Quick Verification module is a module provided by WeChat for quick verification of the authenticity of user mobile numbers. The module allows developers to integrate WeChat’s Quick Verification feature into their own applications, improving the ease of user registration and login while ensuring the authenticity and security of mobile phone numbers.
14	Tencent cloud senseless verification service	Tencent Cloud’s Authentication Service is a biometric-based authentication service that aims to provide a secure and convenient user authentication solution. The service uses technologies such as facial recognition, voice recognition and behavior recognition to enable the non-sensory identification and authentication of user identities.
15	mobile phone number risk portrait SaaS service	The service is based on big data and artificial intelligence technologies to assess the risk of a mobile number by analyzing information related to the phone number, such as call records, text message records, geographical location.

APPENDIX

No.	Terms	Definitions
16	HTTPS SSL encrypted transmission	HTTPS (Hypertext Transfer Protocol Secure) is a secure network transport protocol that adds an SSL or TLS encryption layer to the traditional HTTP protocol, which is used to protect data transmitted over the Internet from eavesdropping and tampering.
17	Network of Central Banks and Supervisors for Greening the Financial System (NGFS)	The Network of Central Banks and Supervisors for Greening the Financial System is an international organization of central banks and regulators from countries that aims to promote the development and implementation of green finance.
18	Nationally Determined Contributions (NDCs)	Nationally Determined Contributions (NDCs) are emission reduction targets and measures that countries have decided on and submitted to address climate change under the Paris Agreement, based on their national circumstances and capabilities.
19	Coupled Model Intercomparison Project Phase 6 (CMIP6)	The Coupled Model Intercomparison Project Phase 6 (CMIP6) is an international research collaboration project that aims to simulate and study the response of Earth's climate system to historical and future human-induced changes through coupled climate models. CMIP6 is the latest phase of the CMIP series, succeeding the work of CMIP3 and CMIP5 and further expanding its scientific objectives and scope of participation.
20	Inter-Sectoral Impact Model Intercomparison Project (ISIMIP)	The Inter-Sectoral Impact Model Intercomparison Project (ISIMIP) is an international research collaboration project that aims to assess the economic, social and environmental impacts of global climate change by comparing models from different fields. The goal of ISIMIP is to improve understanding of the impacts of climate change and provide scientific decision support for policymakers.
21	Potsdam Institute for Climate Impact Research (PIK)	The Potsdam Institute for Climate Impact Research (PIK) is an independent non-profit research institute located in Potsdam, Germany. PIK focuses on the scientific, impact, adaptation and socio-political aspects of climate change research with the aim to provide a scientific basis for strategies to respond to global warming.

APPENDIX

No.	Terms	Definitions
22	reshaped observational data (ERA5-based reanalysis data)	Reshaped observational data generally refers to the processing and reorganization of meteorological observational data to fit specific research needs or climate models. This processing may include spatial and temporal resampling, quality control, data fusion, and the use of other statistical or mathematical methods. For reanalysis data based on ERA5, ERA5 (ECMWF Re-Analysis Fifth Generation) refers to the fifth generation of the European Centre for Medium-Range Weather Forecasts (ECMWF) reanalysis dataset. ERA5 provides high-resolution weather data covering 1979 to the present day (up to 1 km) and multi-variable (including temperature, humidity, wind speed etc.) The data is generated by combining satellite observations, ground station data and special platforms such as aircraft and buoys.
23	ERA-Interim reanalysis data	ERA-Interim, full name ECMWF Re-Analysis Interim, is a meteorological reanalysis dataset provided by the European Centre for Medium-Range Weather Forecasts (ECMWF) and is an important component of the ERA (European Reanalysis) series. ERA-Interim covers data from 1979 to the present, providing a nearly global 4D (latitude, longitude, altitude and time) meteorological dataset of latitudes 78°S to 78°N. This data set includes a variety of meteorological variables such as temperature, humidity, wind speed, air pressure and precipitation, with a time resolution typically 3 hours and a vertical resolution up to 1 km.
24	IBTrACS (International Best Track Archive for Climate Stewardship)	IBTrACS (International Best Track Archive for Climate Stewardship) is an international collaborative project to collect and provide the best track data on tropical cyclones such as hurricanes, typhoons and cyclones. These data are crucial for climate research, weather forecasting, disaster risk management and climate change assessment.

APPENDIX

No.	Terms	Definitions
25	FLOPROS data set	It provides information on regional flood protection levels, including variables such as river flow, precipitation, historical flood records and reservoir water storage to help assess the flood protection capacity of river basins, develop flood prevention strategies and mitigate flood risks. In many countries and regions, government agencies, research institutions and meteorological and hydrological services collect and disseminate such data to facilitate the use of the public and researchers, to be made available in the form of reports, graphs, maps or databases, and to be analyzed and processed as required.
26	GMTED201	GMTED2010 (Global Multi-resolution Terrain Elevation Data 2010) is a global multi-resolution terrain elevation dataset developed jointly by the United States Geological Survey (USGS) and the National Geospatial-Intelligence Agency (NGA).
27	IPCC	The Intergovernmental Panel on Climate Change (IPCC) is an institution created by the United Nations Environment Programme (UNEP) and the World Meteorological Organization (WMO) to assess scientific information about climate change. The IPCC, established in 1988, is the most authoritative international body for scientific assessment of climate change.
28	Canadian Forest Fire Weather Index (FWI)	The Canadian Forest Fire Weather Index (FWI) is a system of indicators used to assess forest fire risk, which combines multiple weather and climate variables to quantify the hazard of forest fires such as dryness, fuel moisture, wind speed, precipitation, temperature, and daily changes in weather. FWI is developed and maintained by Natural Resources Canada, primarily for use within Canada, but has also received widespread attention and application internationally.
29	Dry-bulb temperature	Dry-bulb temperature is a term in meteorology and thermodynamics that refers to the direct measurement of temperature in air, without reference to humidity. This temperature measurement is made by exposing the thermometer's sensing ball (which is not covered with wet cloth or other material) directly to air, so it reflects the actual temperature of the air and is unaffected by the cooling effect of water evaporation.

APPENDIX

FEEDBACK

Dear readers,

Thank you for reading this Report! This is our 2023 Environmental, Social and Governance (ESG) Report. We do wish that you can make a comment on this Report and present your valuable advice to help us continue to improve it.

If you have any comments or suggestions on our ESG, please email to: contact@yuexiutransport.com.hk.

Feedback on the Environmental, Social and Governance Report of Yuexiu Transport Infrastructure Limited 2023



Name

Company

Position

Tel.

Email

Your comment: (please tick as appropriate)

	Excellent	Good	Average	Bad	Poor
Do you think this Report highlights the important information of the Company in respect of environment, society and governance?	<input type="checkbox"/>				
Do you think the information and indicators disclosed in this Report are clear, accurate and complete?	<input type="checkbox"/>				
Do you think the arrangement of content and style design of this Report are reader-friendly?	<input type="checkbox"/>				

Which part are you most interested in?

What other information that you need to know about is not reflected in this Report?

What advice do you have for our future Environmental, Social and Governance reports?
