



四川能投發展股份有限公司

Sichuan Energy Investment Development Co., Ltd.

(A joint stock company incorporated in the People's Republic of China with limited liability)
Stock Code: 1713



2021

Environmental, Social and Governance Report

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1. ABBREVIATIONS

Unless otherwise stated in the Report, the following terms are defined as follows:

“Sichuan Energy Investment Development”	Sichuan Energy Investment Development Co., Ltd.
“The Report”	Sichuan Energy Investment Development Co., Ltd.’s 2021 Environmental, Social and Governance Report
“The Group” or “We”	Collective reference of Sichuan Energy Investment Development Co., Ltd. and subsidiaries
“During the year”, “2021” or “The Reporting Period”	1 January 2021 to 31 December 2021
“Headquarters”	Headquarters of Sichuan Energy Investment Development Co., Ltd., excluding its subsidiaries
“Subsidiaries”	Subsidiaries of Sichuan Energy Investment Development that are included in the Report’s scope (refer to section “2.1 Reporting Scope” for details)
“Board of Directors”	Board of Directors of Sichuan Energy Investment Development Co., Ltd.
“Employees”	Employees of Sichuan Energy Investment Development Co., Ltd. and subsidiaries
“PRC”	People’s Republic of China
“SEHK”	The Stock Exchange of Hong Kong Limited
“The Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“the Guide”	Environmental, Social and Governance Reporting Guide, Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“COVID-19 pandemic”	Novel coronavirus pneumonia pandemic
“HSE”	Health, Safety and Environment
“ESG”	Environmental, Social and Governance
“ESG Working Group”	Environmental, Social and Governance Working Group
“Yuan”	Renminbi yuan, the lawful currency of PRC
“Kilowatt-hour” or “kWh”	Unit of energy, equivalent to the amount of energy produced in one hour by a generator with a power of one kilowatt
“Megawatt-hour” or “MWh”	Unit of energy, equivalent to 1,000 kWh

2. ABOUT THE REPORT

This is the fourth ESG report issued by Sichuan Energy Investment Development after its listing on SEHK. The purpose of the Report is to report on the Group's sustainability-related performance for the year 2021 and to address sustainability-related issues of concern to the Group's key stakeholders. The report also details the Group's governance on sustainability and how the sustainability concept is integrated with the business to identify and manage various risks and opportunities.

The Report is published in both Traditional Chinese and English. If there were any discrepancies in the Report content, the Traditional Chinese version shall prevail. The electronic version of the Report can be read and downloaded through the Group's official website and SEHK website.

2.1 REPORTING SCOPE

The Report covers Sichuan Energy Investment Development's headquarters and its subsidiaries that mainly affect Sichuan Energy Investment Development's performance, assets or liabilities. The list of subsidiaries and their principal activities are as follows:

Subsidiaries	Abbreviations	Subsidiaries' places of operation	Main Business
Sichuan Energy Investment Yibin Xuzhou Electricity Co., Ltd.	Sichuan Energy Xuzhou Electricity	Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Gao County Electricity Co., Ltd.	Sichuan Energy Gao County Electricity	Gao County, Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Gong County Electricity Co., Ltd.	Sichuan Energy Gong County Electricity	Gongxiang County, Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Xingwen Electricity Co., Ltd.	Sichuan Energy Xingwen Electricity	Xingwen County, Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Power Investment Pingshan Electricity Co., Ltd.	Sichuan Energy Pingshan Electricity	Pingshan County, Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Junlian Electricity Co., Ltd.	Sichuan Energy Junlian Electricity	Junlian County, Yibin City, Sichuan Province	Electricity Sales
Shuifu Yangliutan Power Generation Co., Ltd.	Sichuan Energy Yangliutan Power Generation	Shuifu City, Yunnan Province	Electricity Production
Sichuan Energy Power Investment Yibin Electricity Engineering Construction Co., Ltd.	Sichuan Energy Yibin Electricity Construction	Yibin City, Sichuan Province	Electrical Installation
Sichuan Energy Investment Electricity Energy Co., Ltd.	Sichuan Energy Electricity Energy	Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Gao County Yuejiang Power Generation Co., Ltd.	Sichuan Energy Yuejiang Power Generation	Gao County, Yibin City, Sichuan Province	Electricity Production

The information and the calculation method given in the Report have not been restated with significant impact compared with the report in the previous year. The reporting scope of the Report corresponds to the interim report released on September 24, 2021. Sichuan Province Yibin County Xuzhou District Changyuan Infrastructure Co., Ltd. has been cancelled in 2021, so it is excluded from the reporting scope. Unless otherwise stated, the time frame of the report is from 1 January 2021 to 31 December 2021.

2. ABOUT THE REPORT

2.2 CONFIRMATION AND APPROVAL

The Board of Directors has overall responsibility for the Group's ESG strategy and report, and has reviewed and approved the Report. The data and other information publicly disclosed herein are primarily derived from internal documents, reports and statistical results. The Board of Directors undertakes that the contents of the Report do not contain any false records, misleading statements or major omissions, and is ultimately responsible for the truthfulness, accuracy, and completeness of the Report.

2.3 REPORTING GUIDELINES

The Report has been prepared in accordance with the requirements of the mandatory disclosure requirements and "comply or explain" provisions set out in the Guide. The four ESG reporting principles of the SEHK: Materiality, Quantitative, Balance and Consistency have been applied as the four core reporting principles in the preparation of the Report.

Materiality:

Through the review of materiality issues, the Group identified and confirmed the materiality issues applicable to the Group during the Reporting Period and highlighted the relevant issues for disclosure in the Report.

Quantitative:

In order to comprehensively assess the Group's ESG performance during the Reporting Period, the Group disclosed the applicable quantitative KPIs in the Guide and set out the criteria, methods, assumptions and reference bases for the calculation of the quantitative KPIs, including the sources of the key conversion factors.

Balance:

The Report follows the principle of balance and objectively presents the Group's ESG performance and management status during the Reporting Period.

Consistency:

Unless otherwise stated, the Report uses the same compilation and data calculation methodology as the previous reporting period for readers to make meaningful comparisons of ESG information in the Report.

2.4 CONTACT US

We welcome your comments and suggestions on environmental, social and governance-related and other sustainability matters of the Group. You can also contact the Group by the following methods:

Address: No. 789 Renhe Road, Wenjiang District, Chengdu City, Sichuan Province, PRC
Website: <http://www.scntgf.com>
Phone: +86 (28) 8629 9666
Fax: +86 (28) 8629 9666
Email: db@scntgf.com

3. CHAIRMAN'S STATEMENT

In 2021, in the face of global challenges such as the COVID-19 pandemic, climate change and resource depletion, promoting the "green recovery" of the world economy with higher quality and promoting global sustainable development has become a broad consensus among the international community.

We always adhere to the concept of green development. In 2021, the Group introduced new grid-connected hydropower stations to provide green energy for the sustainable development of the city. The Group continuously strengthened the upgrading of the power grid, improved the structure of the power grid and reduced transmission loss. At the same time, we have valued environmental protection through carrying out fish propagation and release in the Hengjiang region, made positive contributions to improving the living environment for rare and unique fish in the upper Yangtze River. We have also vigorously developed the charging pile business, strongly supported the promotion and application of new energy vehicles and promoted energy conservation and emission reduction.

We always adhere to the principle of safe development, constantly improving the safety management system, and increasing the investigation and management of safety hazards to enhance the level of intrinsic safety. We have vigorously carried out safety awareness and job skills training for all employees and cultivate a safety culture with the Group's characteristics. In 2021, the Group's condition of safety production continued to be stable, and no production safety accidents above general level occurred throughout the year.

We always insist on fulfilling our social responsibilities. In the past year, Sichuan Energy Investment Development strengthened ESG management and further improved the corporate governance system, resulting in a continuous increase in revenue and more returns for shareholders; by increasing investment in production safety and promoting technological innovation, the Group not only protects the occupational health and safety rights of employees, but also accelerates the training of talents and promotes the career development of employees through dual channels.

Finally, on behalf of the Board of Directors, I would like to thank all shareholders, business partners and customers. I also sincerely thank all employees for their efforts and contributions and their families for their understanding and support. We will continue to initiate transformation and promote innovation to serve the society and create value, continuing our efforts to build a first-class modern integrated energy service enterprise!

Chairman
Xiong Lin

31 December 2021

4. ABOUT US

The Group was founded in Chengdu City, Sichuan Province on 29 September 2011 and listed on the Main Board of SEHK in December 2018, becoming the first H-share listed company in the domestic electricity distribution and sales industry.

We are a vertically integrated power supplier and service provider in Yibin City, Sichuan Province, with a full power supply value chain covering power generation and electricity distribution and sales. We have a stable user base and a comprehensive network of power supply in Yibin City, which allows us to optimise the balance usage of power resources within our power supply network through efficient allocation of electricity. Our business currently consists of (i) power business, which includes power production, distribution and sales; and (ii) electric engineering construction and service business, which consists of electrical engineering construction service and sales of electric equipment and materials.

Looking forward, we will actively participate in the reform of China's power industry and extend the industry service chain; pursue acquisition opportunities to continue to expand our market share; improve the structure of power grids and improve the level of informatisation; strengthen cost control and continuously improve profitability; focus on diversified development, create an industrial pattern with complementary advantages, and strive to become a world-class listed company of modern comprehensive energy services, so as to create higher and better investment returns for all shareholders.

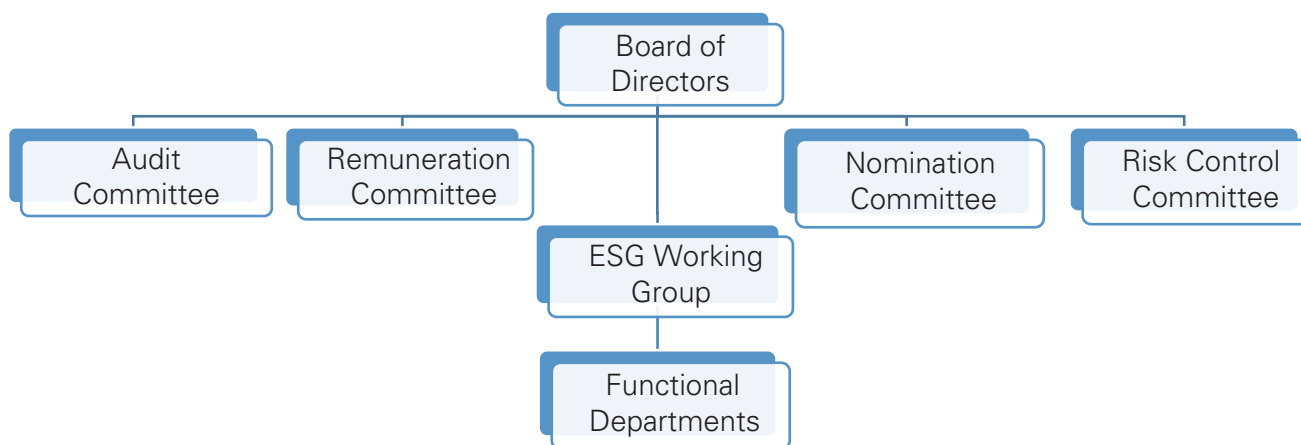
As of the end of the Reporting Period, the Group's revenue amounted to RMB3,171.7 million Yuan, representing a year-on-year increase of 4.8%. Our total assets amounted to RMB46.3 billion Yuan, representing a year-on-year increase of 3.1%. As of 31 December 2021, we owned a total of 34 hydropower stations with an aggregate installed capacity of 138,355 kW. We also had two units of 220 kV substations with an aggregated capacity of 720,000 kVA, 19 units of 110 kVA substations with an aggregate capacity of 942,000 kVA and 59 units of 35 kVA substations with an aggregate capacity of 572,050 kVA.

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

5.1 ESG GOVERNANCE STRUCTURE

The Group establishes an ESG management structure overseen by the Board of Directors to manage sustainability issues in a unified manner, ensuring that ESG considerations are incorporated into all operational and business decisions, and comprehensively advancing the Group's sustainable development process.

The Group has established an ESG Working Group. The ESG Working Group is composed of representatives from functional departments involved in ESG matters of the Group and ESG-related responsible personnel of each subsidiary, and the ESG responsible person of the Group acts as the leader of the ESG Working Group, reports to the Board of Directors on ESG matters, and gives relevant opinions to the Board of Directors, the management or relevant departments when necessary.



The Board of Directors is the highest decision-making body for the Group's ESG governance and is responsible for overseeing the overall ESG strategy, reviewing and making decisions on ESG risks and opportunities related to the Group's business, ensuring that appropriate and effective ESG management and internal control systems are in place, formulating ESG management policies, strategies, priorities and objectives, regularly reviewing the performance of ESG objectives, and approving the disclosure in the ESG reports.

The ESG Working Group is authorized by the Board of Directors to participate in the Group's ESG-related tasks, and its responsibilities include coordinating the implementation and execution of all ESG-related tasks by the functional departments of the headquarters and subsidiaries, reporting to the Board of Directors on material ESG issues and work performance on a regular basis, communicating the Group's strategies and specific initiatives in ESG management, collecting and reporting ESG-related management measures and performance, collecting the information required for the ESG report from the functional departments of the Group and submitting the ESG report to the Board of Directors for approval. Based on the actual situation of ESG-related tasks, the ESG Working Group will formulate improvement suggestions for the members of the Board of Directors, so that the Board of Directors can continuously and effectively implement ESG supervision matters.

All functional departments and subsidiaries are responsible for the management and data collection of specific ESG issues, and carry out relevant tasks in accordance with the ESG management system and process.

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

5.2 ESG TARGETS

Over the years, the Group has been advocating and pursuing responsible operation. We are committed to operating our business in an all-round and responsible manner with consideration of environmental, social and economic benefits. We have formulated the “Overall Objectives of Green Enterprise Construction” to guide us in promoting ESG work and ensure that sustainable development elements are integrated into all aspects of operations and all business decisions.

Every year, the Board of Directors authorises the ESG Working Group to review the progress of the ESG target and direction, and has formulated the following strategies for the environmental aspects:

Emission Reduction Strategy

In the “generation, distribution and sales” power business, the power generation business generally generates significant greenhouse gas emissions and air pollutants. However, all the 34 power stations owned by the Group are hydropower stations with an aggregate installed capacity of 138.36MW. There is no significant emission of greenhouse gases and air pollutants in the course of operation. Therefore, the emission target is not applicable to the Group’s business.

Waste Reduction Strategy

In the short term, we will conduct quality inspections on the circuit breakers used in the transmission and distribution network to ensure that the circuit breakers we select are of high quality. We will further improve the guidelines to ensure that responsible personnel will dispose of the circuit breakers after they reach the designed lifespan.

Energy Efficiency Strategy

The Group actively responds to the national energy conservation guidelines and policies. We have set medium- and long-term energy conservation targets. During the transmission and distribution process, we will gradually change the high-loss distribution to more energy-saving transformers in accordance with the direction of reducing the line loss of distribution network technology. At the same time, we reduce waste in the transmission of electricity, improve transmission efficiency and reduce production costs by appropriately adjusting the operating voltage of the power grid and other major measures.

Water Efficiency Strategy

The Group uses a large amount of river water resources in the process of hydropower generation. Although the river water will be discharged after the power generation process, it does not constitute any consumption and discharge. The Group still insists on saving water through actions. For domestic water that is relatively less polluted, we intend to gradually set emission targets for the Group’s power generation units. It is expected that the power generation units will be able to recycle all domestic sewage in a short period of time and use it for irrigation of green space in or near the power plant area, so as to achieve zero discharge of domestic sewage in the long run.

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

5.3 ESG RISK MANAGEMENT

A sound and effective risk management system is an integral part of corporate governance. We have a sound risk management system, which is further extended to sustainable development management, so as to identify, evaluate, prioritise and manage the major ESG risks that may be exposed to in the course of operation, enhance the Group's risk management and control culture, and lay a solid foundation for our sustainable development.

The Board of Directors has overall responsibility for evaluating and determining the Group's material ESG risks, and ensuring that the Group establishes and maintains appropriate and effective risk management and internal control systems.

The Board of Directors has established the Risk Control Committee, which is authorised to supervise the formulation, implementation and monitoring of the risk management and internal control systems by the management. We integrate ESG risks into the existing risk management system, and identify and manage ESG risks related to the Group's business based on the risk management process. The Risk Control Committee regularly reviews and advises the Board of Directors on the Group's risk-related matters, including ESG risks.

1. The Risk Control Committee and its working group are responsible for leading the risk identification and following up with relevant departments at the management level
2. Carry out risk analysis and select areas with higher risk
3. Departments in the corresponding areas describe the risks
4. Summarise risks in various fields and prepare risk reports
5. Risk reports shall be submitted to the Risk Control Committee of the Board of Directors for consideration and submitted to the meeting of the Board of Directors after consideration

The material ESG risks identified by the Group in 2021 and the corresponding measures are as follows:

Material ESG risks	Potential impact	How we respond
Extreme weather risk	More frequent extreme weather will lead to heavy rainfall, storm and thunderstorm. Power supply facilities such as power lines and wire rods will be significantly damaged.	The Group continued to strengthen the construction of emergency response capabilities. During the year, the Group established an emergency command center to improve the automation level of emergency response. The Group also set up a part-time rescue team to reserve emergency supplies and carry out targeted emergency drills to improve the emergency response capabilities, striving for emergency rescue in the shortest time, mitigating and reducing the harm caused by extreme weather on people and properties, and restoring the affected areas as soon as possible.
Fire risk	Transmission and distribution facilities are located in open areas. Forest fires could cause physical damage to the Group's assets.	In accordance with the unified deployment of forest fire prevention work in Sichuan Province, the route path is optimised to avoid forest areas, and high-span, insulation lines, electrical protection and other configurations are reasonably adopted and monitoring and control measures are adopted to improve the level of equipment protection and prevent fire risks. No forest fire was reported during the Reporting Period.

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

Material ESG risks	Potential impact	How we respond
Water risk	The Group's power generation mainly relies on water resources, such as drought caused by climate change and reduced rainfall, which will affect the Group's hydropower generation.	Increase purchased power supply for response; maximise water storage capacity during non-drought seasons based on the size of the water storage capacity; We will use electricity in an orderly manner and reduce the electricity consumption of enterprises with high energy consumption, so as to fully guarantee the electricity consumption (electricity consumption for people's livelihood) of residents.
National energy policy risk	The Group's high-energy-consuming users build their own residual heat power generation. Therefore, the energy policy does not only have a minor impact on the selling side, but also an opportunity for the power generation side.	In order to adapt to the new round of scientific and technological revolution and industrial transformation trends, better adapt to the requirements of high-quality development and the needs of power system reform. The Group actively transformed into an integrated energy supplier and extended its development to the integrated energy service market, installing and constructing charging piles in the 5 counties and 2 districts of Yibin Supply Zone and the office area of Chengdu City, and establishing a comprehensive energy supply Group in Yibin Cuiping Industrial Park. In the future, the Group intends to establish an integrated smart energy supply station in the supply area.
Talent training risk	Failure to provide suitable and effective staff training may affect the Group's competitiveness and slow down the Group's development; Inappropriate training may lead to waste of resources of the Group.	<p>The Human Resources Department analyses the human resources strategic planning every year, conducts interviews with the Group's senior management, department heads and the Human Resources Department of each subsidiary, and requires each subsidiary to formulate training plans for the next year, ensuring that the employee training plan covers the Group's strategic planning and employee job requirements to achieve comprehensive development.</p> <p>After the training, each department of the headquarters and each subsidiary will invite the participants and the training organisation department to fill in the training record and report to the Human Resources Department of the subsidiary for record. The Human Resources Department can review the participants and their content to ensure that the employee participation process is appropriate and promote training improvement.</p>

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

Material ESG risks	Potential impact	How we respond
Health and safety risks	During the operation of the operating projects, safety accidents could cause harm to employees and power users.	<p>The Group continued to carry out the investigation and rectification of hidden risks and hazards, especially carried out inspections on key periods, important areas and important parts, and spared no effort to curb the occurrence of safety accidents.</p> <p>The senior management regularly conducts special pre-holiday/quarterly safety production inspections and key project inspections on the dispatch centers, substations and other facilities to ensure the safe and stable operation between power grid equipment.</p>
Risk of talent loss	The loss of talents may weaken the competitiveness of the enterprise, and the enterprise needs to re-recruit and train employees, resulting in an increase in human resources costs. The departure of key employees may also affect the business operation and work progress.	<p>The Human Resources Department conducts an annual review and analysis of the Group's employee structure according to the Group's employee recruitment management measures. Through comprehensive research and judgment on the vacancy of job positions, critical and professional talent needs, the Human Resources Department formulates the employment demand plan for the next year to ensure that the Group's production and operation are guaranteed.</p> <p>The Group actively promoted the talent promotion channel and salary system in multiple sequences of management, technology and skills. According to the relevant national policies and the actual situation of the Group, the Group will continue to optimise and update to ensure that the employees of the Group enjoy a relatively sound remuneration and benefits, and enhance their sense of belonging.</p>
Risk of fraud and bribery	Any act or incident involving corruption of the Group or its employees may affect the operation of the Group and damage the interests of the Group and its shareholders.	The Group has formulated Anti-fraud and Bribery Management Measures. The Discipline Inspection and Supervision Department is responsible for continuous supervision and leading the organisation and implementation of anti-fraud and anti-bribery work within the headquarters and subsidiaries of the Group, organizing all departments and subsidiaries of the Group to conduct annual fraud risk assessment, reporting to the management on the implementation of anti-fraud and anti-bribery work, accepting the supervision of the Board of Supervisors, cooperating with the investigation of anti-fraud and anti-bribery cases, integrity publicity and training activities, etc.

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

5.4 STAKEHOLDER ENGAGEMENT

Effective stakeholder engagement is an important part of ESG management. Our major stakeholders include governments and regulatory authorities, investors, employees, customers, suppliers and communities, and we communicate with various stakeholders through diverse methods and channels to understand their needs and expectations and respond accordingly.

Stakeholders	Key concerns	Communication methods	Key actions in 2021
Governments and regulatory authorities	<ul style="list-style-type: none"> – State-owned assets preservation and appreciation – Fulfil social responsibility – Enhance business environment – Boost economic development – Safe and reliable power supply – Environmental protection measures in place – Legal and Compliance Operations 	<ul style="list-style-type: none"> – Participate in related policy discussions and compile a special investigation report – Conduct seminars – Compliance disclosure 	<ul style="list-style-type: none"> – Implement national policies – Comply with national laws and regulations – Enhance business environment – Cooperate with compliance supervision – Fulfil social responsibility
Investors	<ul style="list-style-type: none"> – Financial performance – Corporate governance – Return on investment – Information transparency – Protect shareholders' rights and treat shareholders fairly 	<ul style="list-style-type: none"> – Shareholders general meeting and other shareholders meetings – Regular reports, announcements, circulars and information disclosed on the website of SEHK – Corporate website, phone and emails 	<ul style="list-style-type: none"> – Hold shareholders general meeting and Board of Directors meetings regularly – Publish reports regularly and disclose information in a timely manner
Employees	<ul style="list-style-type: none"> – Salary and benefits – Rights protection – Career development – Safety and health – Corporate culture 	<ul style="list-style-type: none"> – Employee supervisor in the supervisory board – Trade union organizations, employee representatives – Employee opinion surveys, employee discussions, and unobstructed feedback channels – Increase information disclosure 	<ul style="list-style-type: none"> – Cultivate and establish corporate culture – Strengthen employees' professional skills training – Protect employees' rights and benefits – Guarantee employees' health and safety

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

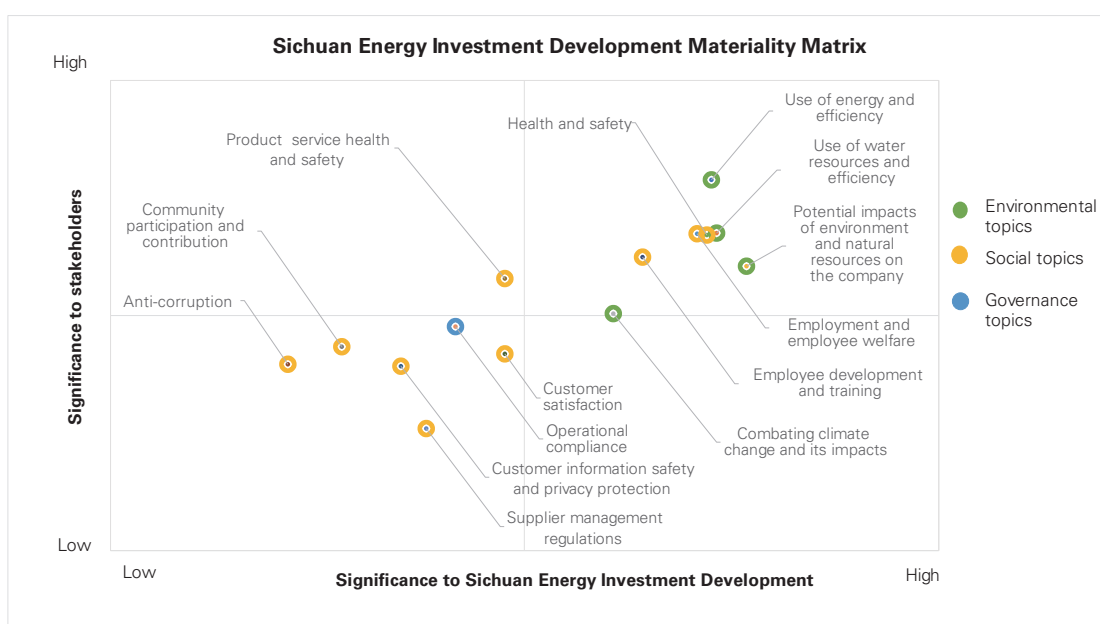
Stakeholders	Key concerns	Communication methods	Key actions in 2021
Customers	<ul style="list-style-type: none"> - Safe and reliable power supply - Legal prices and regulations - High quality and efficient service - Timely response 	<ul style="list-style-type: none"> - Publish service information - Customer visits - Communication during service - Service hotline and electricity business mobile application - Customer opinion survey processing and feedback 	<ul style="list-style-type: none"> - Efficient dispatch and reliable power supply - Adjust electricity prices according to policies - Emergency response in case of disaster - Sincere service and customer first - Clear authority and protect privacy - Innovative services for users
Suppliers	<ul style="list-style-type: none"> - Jointly comply with business ethics and national laws and regulations - Strictly comply with environmental protection policies and regulate safety management - Keep promises, mutual benefit and win-win 	<ul style="list-style-type: none"> - Publish supplier and contractor management regulations - Share management experience and technical standards - Daily business communication - Increase information disclosure 	<ul style="list-style-type: none"> - Establish an open and transparent project bidding system - Prepare legal and equal cooperation contracts - Actively communicate and coordinate with contractors to create a safe and healthy operating environment - Provide equal opportunities for suppliers
Community	<ul style="list-style-type: none"> - Targeted poverty alleviation - Community Building - Volunteer activities 	<ul style="list-style-type: none"> - Communicate with local governments - Community visits and exchanges 	<ul style="list-style-type: none"> - Targeted poverty alleviation - Focus on grid power construction - Focus on public welfare - Carry out volunteer activities

5. SUSTAINABLE DEVELOPMENT MANAGEMENT

5.5 ASSESSMENT OF MATERIAL ESG TOPICS

Stakeholder engagement is an important tool for the assessment of material ESG topics. By reviewing the ESG topics in 2020, the Group confirmed that the 14 ESG topics identified are still applicable in 2021 with reference to the nature of the Group's business. We invited members of the Board of Directors through email and in written forms to further validate and confirm the materiality assessment results.

Through reviewing the materiality assessment results, we have produced a materiality matrix and a list of material ESG topics regarding the importance of each ESG topic to Sichuan Energy Investment Development and stakeholders. The following materiality matrix shows the priority of different topics:



Materiality ranking (From high to low)	2021 material ESG topics
1	Use of energy and efficiency
2	Use of water resources and efficiency
3	Health and safety
4	Employment and employee welfare
5	Potential impacts of environment and natural resources on the company
6	Employee development and training

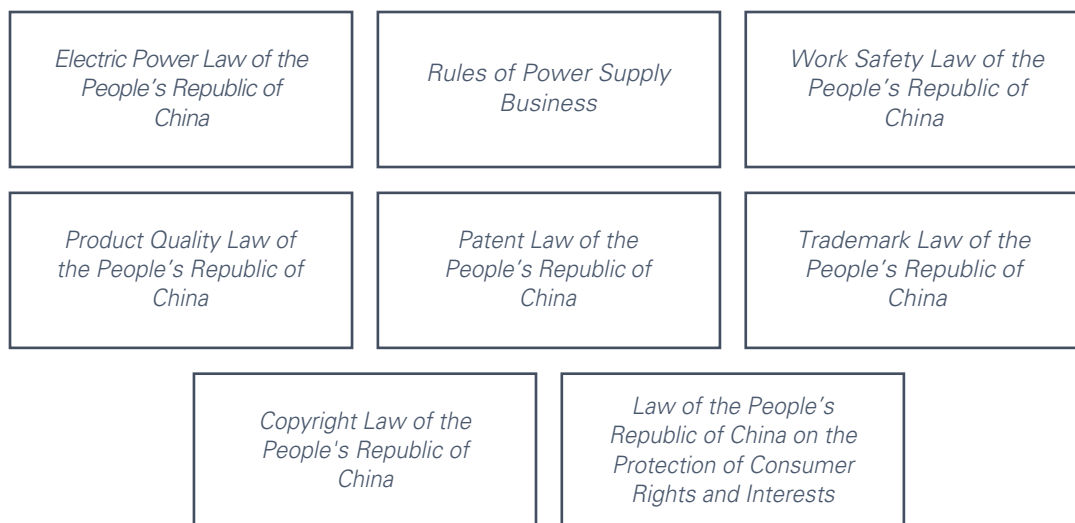
Based on the above materiality assessment results, we made specific disclosures on the above topics in the Report to effectively respond to the sustainable development issues that various stakeholders focus on, which at the same time help us to focus on the aspects of our sustainable development.

6. OPERATIONAL COMPLIANCE

The Group has always been strengthening compliance building, carrying out production and operation activities in compliance with laws and regulations, and continuously enhancing our corporate management mechanism. We are dedicated to protecting customers' rights and enhancing customer satisfaction. At the same time, we constantly strengthen the management of suppliers' environmental and social risks and promote the establishment of corruption-free corporate culture, pushing forward the Group's sustainable development.

6.1 QUALITY GUARANTEE

During the Reporting Period, the Group has strictly complied with the following laws and regulations that have a significant impact on the Group, relating to the health and safety, advertising, labelling and privacy matters relating to products and services and methods of redress (including but not limited to):



6.1.1 Safe Power Supply

As an excellent and reliable energy enterprise, the Group has always ensured the safe operation of the power grid and reliable power supply for protecting the lives and properties of general public. The main sources of electricity we sell are electricity generated by the Group's own hydropower stations and electricity purchased from third-party suppliers. The Group operates through a series of power supply facilities, including step-up and step-down substations, transmission and distribution lines (for terminal users) to distribute power to industrial, commercial, household and other users.

6. OPERATIONAL COMPLIANCE

In order to strictly comply with the regulations relating to safe power supply and power grid management in the *Electric Power Law of PRC and Rules of Power Supply Business*, we have formulated internal policies such as the *Safety Production Management Standards and Environmental and Safety Targets Management System* to regulate safe production management and continuously enhance the Group's power supply service quality. At the same time, we carry out measures such as technological transformation of old equipment, enhancement of power grid structure, strengthening of equipment maintenance, etc., in order to ensure the equipment are in a well-function condition, improve the reliability of power supply and power quality, and achieve power supply stability, voltage stability, and frequency stability.

Grid comprehensive voltage passing rate

Towns 98.94%

Rural 98.52%

Electricity supply reliability rate

Towns 99.78%

Rural 99.59%

The Group strictly complies with the *Rules of Power Supply Business* and conduct power supply quality testing to ensure power supply service quality. The regulation clearly states the actual implementation procedures and assessment mechanism of power supply quality testing, including the power supply frequency discrepancy allowed under the normal operation of the electricity system, the assessment indicators of the power supply equipment maintenance plan, etc. During the power supply equipment maintenance plan, the frequency of power outage for supplying electricity of 35 kV or above to households should not exceed once per year; the frequency of power outage for supplying electricity of 10 kV or above to households should not exceed 3 times per year, so as to ensure the quality of electricity supply is at a good level. Due to the nature of the Group's business mainly in power generation, transmission and distribution, the recall procedures are not applicable to this report.

6.1.2 Customer Service

Instead of advertising, the Group focuses on providing customers with better services in terms of the quality of power supply services. Ensuring that our customers enjoy a high-quality service experience is an important part of our business. We adhere to the customer-first service philosophy and actively maintain good relationship with our customers.

We fully understand that effective communication and good customer satisfaction can improve our service quality, so we actively listen to customers' opinions and suggestions and strive for continuous improvement. We have set up a customer service hotline since 2018, through which customers can make complaints or inquiries about the power supply service. At the same time, we have formulated the *Administrative Measures for the Reporting of Complaints about Power Supply Services (Trial)*, which stipulates that we should comply with the "Efficient, Flexible, Accurate" principle when handling complaints. The policy also regulates the division of work for the Group's departments on power supply service complaints, definition and classification of complaints, procedures for acceptance and handling, etc.

Customer service hotline 12398

Administrative Measures for the Reporting of Complaints about Power Supply Services (Trial)

6. OPERATIONAL COMPLIANCE

The Operation Management Department of the headquarters and the Marketing Department of each subsidiary classify the complaints according to their content and nature, complete the complaint acceptance form and submit it to relevant departments for their handling. The relevant department shall complete the investigation within five working days and give a reply to the complainant. During the Reporting Period, we received a total of 9 customer complaints, which were investigated and handled in a timely manner in accordance with the procedures stipulated in the *Administrative Measures for the Reporting of Complaints about Power Supply Services (Trial)*.

In addition, we understand customers' satisfaction with our services through on-site services, customer visits, satisfaction surveys, etc., and continuously improve ourselves based on the valuable opinions and suggestions provided by them. We invite customers to fill in the Customer Questionnaire Survey and invite them to rate items such as power supply stability, power supply safety, power supply information communication and payment services.

During the Reporting Period, we obtained a total score of 100 points (out of 100 points) in the annual customer satisfaction survey.



6.1.3 Information Security and Privacy

The Group has always been highly concerned about customers' privacy protection. As the Group's business directly involves the privacy issues of a large number of end-users and individual users, we have established a sound network management and information safety system to strengthen the Group's information safety and client privacy protection. At the same time, we have formulated the *Marketing System Access Authority Management Specification and Network Security Management Measures*, which regulates information system's access management, including management principle, division of work, access application procedures, etc., ensuring that only authorised personnel can access customer data.

In addition, this management measure also regulates different aspects of cybersecurity management. Information safety centre is responsible for the Group's network management and the establishment and maintenance of the Group's information safety system. The centre adopts various equipment and technology such as intrusion detection and vulnerability detection to regularly monitor and analyse the cybersecurity situation. When the centre detects network anomaly which severely affects business operation, it will report to the higher authorities immediately in accordance with the incident handling procedures to ensure that the network equipment operates safely and guarantee the information safety of the Group and our customers.

6. OPERATIONAL COMPLIANCE

6.1.4 Intellectual Property Management

In terms of intellectual property management, the Group strictly abides by the *Copyright Law of the People's Republic of China*, the *Patent Law of the People's Republic of China* and other laws and regulations and relevant implementation regulations. At the same time, we have formulated internal intellectual property rights protection measures in accordance with the above laws and regulations. When cooperating with other corporations, both cooperating parties sign the *Confidentiality Agreement* to strengthen the protection of the commercial secrets and intellectual property.

We attach great importance to the protection of intellectual property rights. In order to further strengthen the authenticity of software and implement the main responsibility for the authenticity of software, the Group issued the *Notice on Adjusting the Members of the Software Authentication Working Group* to coordinate and promote the authenticity of software and study and formulate relevant regulations and measures for the authenticity of software. The Group cooperates with the publication of the *Administrative Measures for the Authentication of Software* to ensure that the Group's use of genuine software is normalised, standardised and institutionalised, so as to establish a sound and long-term mechanism for this purpose. At the same time, we formulate genuine software procurement plans based on actual needs, purchase WPS and CAD genuine software, improve the security of information systems, ensure operational security and avoid infringement risks.

6.2 RESPONSIBLE PROCUREMENT

As an electricity corporation which adopts a vertical integration mode of development, supply chain management spans through every aspect of corporate production and operation and plays an important role in promoting corporate sustainable development. The Group has proactively practised green procurement and developed a responsible supply chain, promoting the following responsible procurement practices when selecting suppliers, striving to build a responsible supply chain, and maintaining good strategic relationships with cooperative suppliers to complement each other's advantages and promote the common development of supply chain partners and the Group.

The Group's suppliers mainly include State Grid Sichuan Electric Power Company Yibin Power Supply Company, Yunnan Power Grid Corporation Zhaotong Power Supply Bureau, grid-connected hydropower stations in the supply area and grid-connected hydropower stations outside the supply area. During the employment and assessment process of electricity suppliers, we strictly comply with the regulations in the *Electric Power Law of the People's Republic of China* and the *Environmental Protection Law of the People's Republic of China*. On the basis of considering assessment indicators such as power quality and power supply pricing, we take the potential environmental impact and social risks of suppliers as necessary evaluation criteria, such as monitoring whether suppliers have any record of violations of laws and regulations due to pollution of the ecological environment in the course of business operations, and whether the products provided by them meet the national environmental protection standards.

During the contract period, we request suppliers to provide products which meet the quality standard and environmental protection regulations. We also regularly carry out special environmental inspections, urge our partners to implement internal environmental protection systems and environmental management regulations, and review their compliance with social and environmental policies, such as the *Electric Power Law of the People's Republic of China* and the *Environmental Protection Law of the People's Republic of China*. If a supplier is found to fail to properly respond to environmental and social risks, or to violate relevant systems or regulations, we will strictly issue penalties and require them to carry out rectification within a time limit. Should there be any severe case, we may request the suppliers to suspend work or terminate the contract.

6. OPERATIONAL COMPLIANCE

As of the end of the Reporting Period, a total of 233 power procurement suppliers adhere to the above procurement management policies. The number of power procurement suppliers of the Group by region of service provision is as follows:

Cuiping District	Xuzhou District	Gao County	Gong County	Junlian County	Xingwen County	Pingshan County
16	16	21	45	73	51	11

6.3 ANTI-CORRUPTION

During the Reporting Period, the Group has strictly complied with the following laws and regulations that have significant impacts on the Group, relating to the prevention of bribery, extortion, fraud and money laundering (including but not limited to):

<i>Criminal Law of the People's Republic of China</i>	<i>Anti-Money Laundering Law of the People's Republic of China</i>	<i>Anti-Unfair Competition Law of the People's Republic of China</i>
<i>Company Law of the People's Republic of China</i>	<i>Anti-Monopoly Law of the People's Republic of China</i>	<i>The Bidding Law of the People's Republic of China</i>
<i>Regulation on the Implementation of the Bidding Law of the People's Republic of China</i>	<i>Several Provisions on Professional Integrity of the Leaders of State-owned Enterprises</i>	

In order to strengthen the Group's work in improving the Party's style of work, building a corruption-free government and preventing fraud and bribery, we have formulated various internal management policies, such as *Anti-fraud and Bribery Management Measures*, *Evaluation of the Implementation of the Responsibility System for Improving the Party's Style of Work and Upholding Integrity*, the *Interim Measures for the Implementation of the Responsibility System for Improving the Party's Style of Work and Upholding Integrity*, *Opinions on the Implementation of an Integrity Culture*, etc. Anti-fraud and Bribery Management Measures clearly outlines the Group's definition and classification of fraud and bribery behaviour, which stipulates that employees shall not, in any circumstances, violate the laws, regulations or relevant requirements, directly or indirectly provide, promise, accept or induce the occurrence of money or other benefits intended to win improper business advantages, or misappropriate the Group's property or obtain improper or illegal benefits by means of illegal means such as deception, concealment or violation of credit, or damage the Group's interests. This management measure regulates the division of works and management measures for anti-fraud and anti-bribery work, so as to strengthen the corruption-free corporate culture and protect the Group's legal rights.

6. OPERATIONAL COMPLIANCE

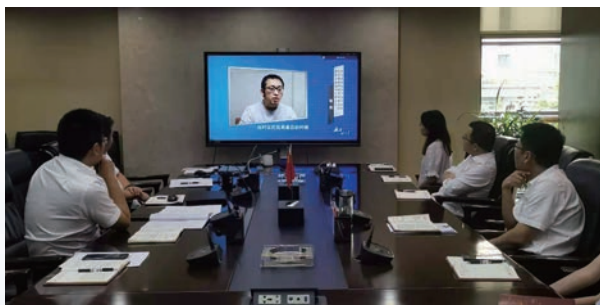
The Group integrates anti-fraud and anti-bribery work into its daily management and internal control activities, actively assessing the risk of fraud and bribery and gradually establishing a corresponding monitoring mechanism. At the same time, we organise education and trainings on relevant laws and regulations, as well as promoting anti-fraud and anti-bribery prevention. We also strengthen monitoring work and punishment for fraud and bribery, enhancing the Group's overall integrity compliance management capacity. The Group has formulated the *Whistle-blowing Management System, Measures for Handling Whistle-blowing Letters and Visits, and Administrative Measures for Discipline Inspection and Supervision of Case Files* to standardise the management of whistle-blowing. Whistle-blowers may report violations of laws and disciplines to the Group through various channels such as letters, telephones, emails, and visits. Discipline and Inspection Office is the main department which is responsible for whistle-blowing management. After receiving a report, the department will register the accepted reporting case and submit it to management for approval. For the cases which the senior management requests for reporting the investigation result, the department should handle and report the case within the designated timeframe and explain to the whistle-blower after the case is closed. If the case is not investigated, a valid explanation must be given to the whistle-blower. The processing status of all reporting cases is recorded in the Report Registration Form. During the Reporting Period, the Group has not received any litigation relating to corruption or bribery.



On 30 August 2021, the Discipline Inspection Committee of the Group organised the first and second Party branch to jointly carry out the Party Day activity themed on Party's style of work and corruption-free government construction. Representatives of the event on that day included the member of the Board of Directors, Mr. Li Hui, senior management, Mr. Ding Daijun, Mr. You Xiao and Mr. Peng Wanzhang, and all other employees who are Party members.

Mr. Pang Lei, a member of the Party Committee and the Secretary of the Discipline Inspection Commission of the Group, was the main speaker of the Party lecture on integrity. The theme of the Party class is based on the history of discipline inspection and supervision, which integrates the history of discipline inspection and supervision into the history of the Party, and further guides the Party members and cadres to strengthen their understanding of the Party's discipline and the Party's route, guidelines and policies, focusing on the effectiveness of the comprehensive and strict Party governance since the 18th CPC National Congress. We have conducted an in-depth analysis of the current new situation of Party's style of work and corruption-free government construction and anti-corruption, and continued to deepen the urgency and importance of Party's style of work and corruption-free government construction.

During the activity, the Group also held a lecture on the theme of "Party Discipline Regulations into the Grassroots" to interpret the key points of the *Code of Integrity and Self-discipline of the Communist Party of China*, and organised participants to watch the warning education film *The Journey of Luxury*.



7 GREEN OPERATION

While promoting its business development, the Group has not forgotten to actively fulfil its social responsibility of protecting the environment. Through continuously improving its environmental management system and implementing various energy-saving and environmental protection measures at the Group level, the Group strives to achieve a harmonious integration between the enterprise and the environment.

7.1 ENVIRONMENTAL PROTECTION MANAGEMENT

We always adhere to green operation, strive to reduce the damage to the natural environment and the consumption of natural resources, and actively respond to climate change. In order to strengthen the Group's environmental protection management, we have formulated and revised a series of environmental protection management policies in accordance with the relevant national laws and regulations on environmental protection to regulate our emissions, use of resources, target management, investigation and management of potential environmental hazards, investment in environmental protection expenses, environmental protection inspection, performance rewards and punishments, etc.

During the Reporting Period, the Group has strictly complied with the following laws and regulations related to emissions that have significant impacts on the Group (including but not limited to):

<i>Water Law of the People's Republic of China</i>	<i>Renewable Energy Law of the People's Republic of China</i>	<i>Regulation on Urban Drainage and Sewage Treatment</i>
<i>Soil Pollution Prevention and Control Law of the People's Republic of China</i>	<i>Water and Soil Conservation Law of the People's Republic of China</i>	<i>Law of the People's Republic of China on Environmental Impact Assessment</i>
<i>Cleaner Production Promotion Law of the People's Republic of China</i>	<i>Land Administration Law of the People's Republic of China</i>	

7 GREEN OPERATION

With reference to the above laws and regulations, the Group has implemented the following internal environmental management policies during the Reporting Period, including but not limited to:



7.2 CLIMATE CHANGE

As a responsible corporate citizen, the Group is well aware that climate change will bring different risks and opportunities to its business and the society as a whole. In order to actively respond to the challenges related to climate change, the Group regularly reviews and evaluates major climate change related issues.

The Group's main business is located in the hilly area in the southeast of Sichuan Basin in China. Climate change may lead to more frequent extreme weather events. Natural disasters such as heavy rains, floods and mudslides may directly damage the Group's assets, damage the Group's transmission facilities and transmission network, and affect the normal operation of the Group. In order to mitigate the impact of climate change on us in the long term, we regularly carry out hidden danger investigation and management to ensure the sufficient supply of emergency materials and equipment, and at the same time improve the emergency response capabilities of employees to improve the overall emergency management level of the Group. During the Reporting Period, the Group has been closely connected with Yibin Meteorological Bureau, paying attention to weather and climate change 24 hours a day, and formulating targeted plans and measures to predict grid load changes from a scientific perspective and make timely adjustments to ensure the safe and stable operation of the power grid.

In the future, we plan to address the various impacts of climate-related risks through robust enterprise risk management and strategic plans, and actively take corresponding measures to seize the potential opportunities arising therefrom.

7 GREEN OPERATION

7.3 NATURAL RESOURCES

The main business of the Group is hydroelectric power generation. Therefore, our main impact on the environment and natural resources is the impact on the biodiversity of fish in the upstream and downstream of the river due to the water intake of the power station. In order to manage the related impacts, we have prepared an ecological flow release plan based on the ecological water demand of the river downstream of the dam site in terms of aquatic ecology, water environment and landscape, combined with hydraulic and hydrological methods, and in accordance with the technical specifications of ecological flow design and relevant provisions. In addition, we have also determined the ecological flow release facilities and safeguard measures during the water storage and operation periods. We carry out various conservation works in the river section of national and local key protection, rare and endangered or developed areas to mitigate the impact of our business operations on underwater species.

After we confirm the biodiversity conservation work is necessary, we strictly enforce the provisions of the reservoir regulation operation plan and conduct ecological regulation with reference to the minimum ecological flow of the power station. When the natural flow rate is less than the minimum ecological flow rate, the ecological flow rate of the power station will be devolved according to the actual natural flow rate at the dam site. When implementing the ecological flow release, we prioritise the use of dedicated release facilities and synchronize the design, construction and operation with the main project to ensure safe, reliable and flexible operation of the facilities.

At the same time, we also organise a variety of environmental protection activities, including front pool dredging, fish propagation and release, garbage removal, etc., to enhance employees' environmental protection awareness.

During the Reporting Period, the Group carried out annual fish propagation and release activities in Yangliutan to help promote the development of fish resources in the river basin and protect the biodiversity of the surrounding environment of the hydropower plant. Since 2011, the Group has carried out fish proliferation and release activities in national and local key protected areas, rare and endangered areas or developed areas and rivers for 10 consecutive years. Through these measures we strengthen the protection of habitats of endemic aquatic organisms, protect fish spawning seasons from business operations, and even further protect the habitat of native species and maintain regional biodiversity.



7.4 ENERGY CONSERVATION AND EMISSION REDUCTION

7.4.1 Resources Conservation

The main resources used by the Group during daily operations are water withdrawal for power generation, power loss during power transmission and distribution and vehicle fuel consumption.

The Group's power generation business is hydropower generation, which is a form of clean energy generation. The Group's water withdrawal for its power generation business is mainly from natural water in the Nanguang River Basin, Hengjiang River Basin and Songjiang River Basin. We use the potential energy formed by the water level drop to drive the hydrogenerator to generate electricity. Natural water is discharged to downstream basins after power generation, and the process of power generation basically does not pollute the water resources used. The water for the Group's office and domestic use comes from the municipal water supply network and suppliers. The Group had no difficulty in obtaining water for its power generation business, office and domestic use.

In the 5. Sustainable Development Management section, the Group has formulated four strategies for "emission reduction, waste reduction, energy use and water use" to enhance water and electricity conservation in our power generation business and to improve the efficiency of the use of hydroelectric energy. To this end, the Group has established the "Integrated Energy Division" and formulated and implemented a series of energy-saving measures to conduct more refined management of the Group's use of resources. Some of the measures implemented are as follows:

Reduce Electricity Consumption

- Adopt transformers with higher energy efficiency
- Transforming old low-voltage distribution lines to reduce line loss
- Adjust the operating voltage of the power grid appropriately to improve power distribution efficiency

Water Conservation

- Strengthen water management in canteens
- Strengthen the maintenance of water facilities and post water-saving signs
- Strengthen water-saving publicity and further improve the awareness and behavior of all employees on water conservation
- The hydropower plant operates in strict accordance with the approval of the production water intake plan
- The office area strictly complies with the requirements of the domestic water intake permit, and did not exceed the planned water consumption during the Reporting Period.

Reducing Fuel Consumption

- Strengthen the registration and management of fuel consumption of official vehicles, establish fuel consumption accounts, and strengthen fuel consumption analysis
- Strictly regulate the use of vehicles, implement centralized and unified management and unified dispatch
- Regular maintenance of vehicles
- Strengthen the publicity and education of fuel conservation, regularly hold lectures on vehicle fuel conservation, further improve employees' awareness of resource conservation, and enhance their awareness of fuel conservation

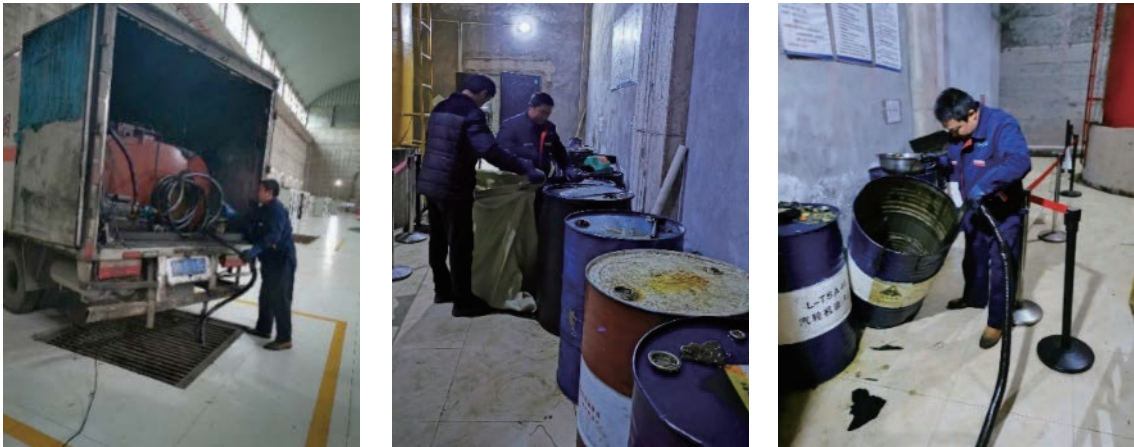
7 GREEN OPERATION

7.4.2 Emissions Management

The main emissions generated by the Group in the course of daily operation are the exhaust emissions from office vehicles, indirect greenhouse gas emissions caused by power consumption, domestic sewage, domestic waste, and a small amount of oily waste generated during maintenance. In order to reduce the Group's emissions of air pollutants and greenhouse gases, headquarters and subsidiaries have formulated relevant energy-saving and emission reduction policies in accordance with their own operating locations and business characteristics. For example, Sichuan Energy Gao County Electricity has formulated the *Energy Conservation Management Regulations*, which set out a series of measures for the management of vehicle fuel consumption and electricity consumption in offices, in order to promote energy conservation and emission reduction.

The Group uses sulphur hexafluoride in its production, transmission and distribution processes of electricity. Such gases with stable chemical properties are used as insulating medium and arc extinguishing medium for circuit breakers. Due to the high global warming potential of sulphur hexafluoride, the Group attaches great importance to the procurement of circuit breakers. We have adopted high-quality circuit breakers in our production, transmission and distribution of electricity. When the circuit breakers reach the designed lifespan, we will dispose them in a timely manner. In addition, we manage the use and storage of circuit breakers in strict accordance with the management requirements of hazardous chemicals and contact, and enter into agreement with units with hazardous waste disposal qualifications to entrust them to dispose of hazardous waste. During the Reporting Period, there was no leakage of sulphur hexafluoride from the Group.

For the small amount of waste oil generated during the maintenance of some of our equipment, we will collect and contact certified divisions for transfer and disposal.



Domestic sewage generated by the Group's operating locations in the urban area is discharged into the municipal sewerage network, while office and domestic waste are handed over to the municipal authorities for treatment. In addition to the management of vehicle fuel consumption and office electricity, the *Energy Conservation Management Regulations* formulated by Sichuan Energy Gao County Electricity also regulates the use of office water and office supplies, such as setting the collection benchmark based on the usage records of office supplies, promoting the use of paper on both sides and using recycled water for internal green space irrigation, in order to reduce the production of office waste and domestic sewage.

7 GREEN OPERATION

7.4.3 Environmental Performance

During the Reporting Period, the statistical data of the Group's electricity generation and sales volume, emissions and use of resources are as follows:

	Year 2021	Year 2020	Year 2019	Unit
Power generation	539,534.17	600,010.0	590,540.1	MWh
Electricity sales	4,663,558.40	3,928,688.0	3,475,087.8	MWh

EMISSION

Air Pollutants¹

Nitrogen oxides	1,753.78	3,176.56	3,845.89	kg
Sulphur oxides	3.31	6.93	7.94	kg
Particulate matter (PM2.5)	54.27	107.37	120.48	kg
Particulate matter (PM10)	60.03	119.17	133.44	kg
Carbon monoxide	2,216.63	5,147.01	6,080.62	kg

Greenhouse gases²

Scope 1 ³	1,087.96	1,055.41	1,240.90	tonnes CO ₂
Scope 2 ⁴	112,290.64	97,748.97	88,045.46	tonnes CO ₂
total	113,378.60	98,804.38	89,286.36	tonnes CO ₂
Intensity	0.04	0.03	0.03	tonnes of CO ₂ /MWh of electricity sales
CO ₂ emission reduction from self-generated power	329,169.08	366,066.10	508,100.00	tonnes

Hazardous Waste

Waste mineral oil and mineral oil-containing waste	2.00	0.30	6.37	tonnes
Total	2.00	0.30	6.37	tonnes
Intensity	0.43	0.08	1.83	g/MWh Electricity sales

1 The emissions of air pollutants are derived from the exhaust emissions of the vehicles owned and controlled by the Group within the scope of the Report. The specific emission data is calculated with reference to the Technical Guide for the *Preparation of Air Pollutant Emission Inventory for Road Vehicles (Trial)* and *Greenhouse Gas Emissions Accounting Methodology and Reporting Guidelines for Enterprises in Other Industrial Sectors (Trial)* issued by the Ministry of Ecology and Environment of the People's Republic of China.

2 Greenhouse gas emissions come from the greenhouse gas emissions of vehicles and construction machinery owned and controlled by the Group within the scope of this report, as well as indirect emissions caused by purchased electricity used in production and office, and electricity consumption in the transmission and distribution process.

3 The calculation method of emission data of greenhouse gas (Scope 1) vehicles refers to the *Greenhouse Gas Emissions Accounting Methodology and Reporting Guidelines for Land Transportation Enterprises (Trial)* issued by the Ministry of Ecology and Environment of the People's Republic of China, and the calculation method of emission of machinery refers to the *Greenhouse Gas Emissions Accounting Methodology and Reporting Guidelines for Enterprises in Other Industrial Sectors (Trial)* issued by the National Development and Reform Commission of the People's Republic of China and the *Greenhouse Gas Inventory Guidance-Direct Emissions from Mobile Combustion Sources* issued by the United States Environmental Protection Agency.

4 The calculation method of greenhouse gas (Scope 2) emission data refers to the national grid average emission factor in the Corporate Greenhouse Gas Emissions Accounting Methodology and Reporting Guidelines for Power Generation Facilities (Revision 2021) issued by the Ministry of Ecology and Environment of the People's Republic of China.

7 GREEN OPERATION

EMISSION				
Non-hazardous Waste				
Office and domestic waste	45.09	19.62	48.19	tonnes
Total	45.09	19.62	48.19	tonnes
Intensity	9.67	5.00	34.01	g/MWh Electricity sales
Waste salvage in the reservoir area of the dam ⁵	200.00	70.00	70.00	tonnes
Waste water				
Office and domestic waste water	28,817.00	40,850.00	44,565.00	tonnes
Intensity	9.59	13.59	14.63	tonnes/person

The Group regularly salvages waste in the water storage area in the front pond of the dam where the hydropower station is located. During the Reporting Period, we increased the frequency of salvaging waste in response to our protection of natural resources. At the same time, we replaced oil with different machinery parts during the Reporting Period to ensure the safe operation of the machinery. Therefore, the waste mineral oil and waste containing mineral oil increased accordingly.

In addition, as the power generation of the power plants during the Reporting Year recorded a decrease as compared with last year, we adjusted the proportion of purchased electricity to ensure the stability of power supply. Therefore, the increased purchased electricity has an impact on the emissions and resource use performance of the year: firstly, the Group's water withdrawal for power generation decreased by approximately four percent as compared with 2020; the total amount of our purchased electricity after adjustment was approximately 470,000 MWh more than that of 2020, and the greenhouse gas (scope 2) emission figure also recorded a corresponding increase.

Resources Consumption	Year 2021	Year 2020	Year 2019	Unit
Use of Resources				
Energy				
Office and production power consumption	286,658.27	324,455.33	303,523.67	MWh
Intensity	0.06	0.08	0.09	MWh/MWh electricity sales
Gasoline	375,946.52	339,064.98	387,365.69	Litre
Intensity	0.09	0.07	0.11	Litres/MWh of electricity sales
Diesel	82,932.87	113,749.93	131,092.76	Litre
Intensity	0.02	0.03	0.04	Litres/MWh electricity sales
Total energy consumption ⁶	327,287.47	328,592.69	308,261.45	MWh
Energy consumption intensity	0.070	0.083	0.097	MWh/MWh electricity sales
Water resources				
Office and domestic water consumption	51,118.00	40,538.00	48,993.50	tonnes
Intensity	17.36	13.49	16.08	tonnes/person
Water withdrawal for power generation	4,860,478,482.11	8,125,943,953.01	15,952,863,199.74	tonnes
Intensity	9.01	13.54	27.01	tonnes/MWh of power generation

5 Since the total amount of waste generated in the reservoir area of the front pond of the dam involves many external factors (including human disposal, salvage work in river basins, etc.), starting from the Year, the Group's waste salvage will not be counted as non-hazardous waste produced by us, so its intensity and total amount will be disclosed separately.

6 The calculation method of total energy consumption is based on the *Guidelines for Accounting and Reporting Greenhouse Gas Emissions of Chinese Power Generation Enterprises (Trial)* issued by the National Development and Reform Commission of the People's Republic of China.

8. CARING FOR EMPLOYEES

We regard our employees as our valuable assets and an important cornerstone for our sustainable development. We adhere to the management philosophy of “governing the enterprise in accordance with the law, promoting the enterprise in accordance with the virtue and strengthening the enterprise by people”, provide employees with a good working environment, a competitive remuneration system, and a smooth career development path, so that every member of the team has the opportunity to realize their potential and realize the common growth of the enterprise and employees.

8.1 HUMAN RESOURCES MANAGEMENT

During the Reporting Period, the Group has strictly complied with the following laws and regulations that have significant impacts on the Group, relating to the compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare (including but not limited to):

<i>Labour Law of the People's Republic of China</i>	<i>Law of the People's Republic of China on the Prevention and Control of Occupational Diseases</i>	<i>Social Insurance Law of the People's Republic of China</i>
<i>Regulation on Paid Annual Leave for Employees</i>	<i>The Regulation on the Implementation of the Employment Contract Law of the People's Republic of China</i>	<i>Regulation on the Implementation of the Employment Contract Law of the People's Republic of China</i>
<i>Law of the People's Republic of China on the Protection of Disabled Persons</i>	<i>Provisions on Minimum Wages</i>	<i>Regulation on the Employment of the Disabled</i>
<i>Labor Dispute Mediation and Arbitration Law of the People's Republic of China</i>	<i>Regulation on Work-Related Injury Insurance</i>	<i>Employment Promotion Law of the People's Republic of China</i>

In accordance with the above employment-related laws and regulations, we have formulated internal regulations such as the Measures for the Management of the Compensation, the Measures for Rank Management, the Measures for Employee Recruitment Management, the Interim Measures for Employee Leave and Attendance Management, and the Employee Handbook to regulate the management of employee recruitment and dismissal, remuneration and promotion, working hours, holidays, equal opportunities, diversity, anti-discrimination and welfare. During the Reporting Period, we did not receive any case of violation of the above employment-related laws and regulations.

8. CARING FOR EMPLOYEES

8.1.1 Recruitment and Dismissal

We have formulated the Measures for Employee Recruitment Management to regulate the employee recruitment management of the Group, which clearly states that we should adhere to the principles of “scientific coordination, hierarchical control” and “Prioritizing Internal Recruitment, Open and Fair, Competitiveness and Excellency Oriented, Valuing both Integrity and Talents with Integrity more Emphasized” when recruiting employees. The Human Resources Department of the headquarters and subsidiaries of the Group adopts a clear management process for employee recruitment. Some management measures are as follows:

Headquarters	Subsidiaries
<ul style="list-style-type: none">• Establish and improve the management system• Develop and organise the implementation of annual recruitment plan• Review and direct the implementation of the recruitment plan of each subsidiary• Track and evaluate the implementation of departmental recruitment plans• Oversee and review the implementation of the recruitment plan of each subsidiary	<ul style="list-style-type: none">• Establish and improve the management system• Formulate and report recruitment plans• Organise and implement recruitment programs• Evaluate and report the recruitment implementation

The employment principles set out in the Measures for Employee Recruitment Management stipulate that our employees must have reached the legal age for employment. At the same time, we verify the identity of candidates through strict qualification review and background investigation to prevent the employment of child labour and forced labour. If applicants are found to have falsely filled in personal information or made false statements during the process, and will not be employed by the Group.

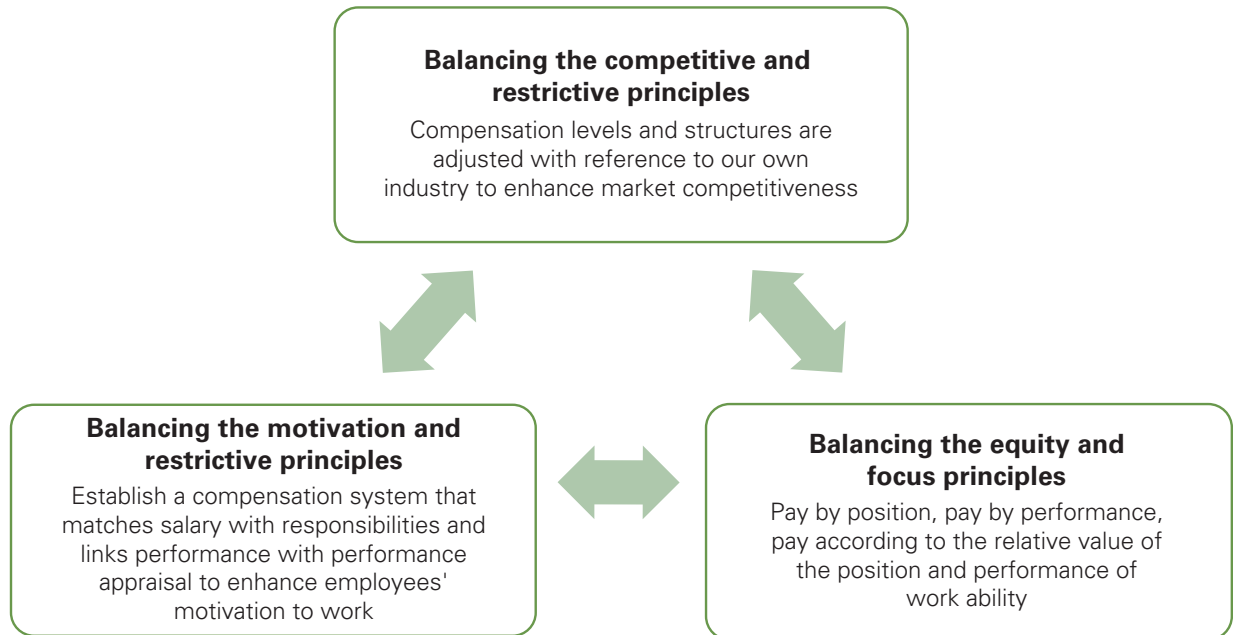
In addition, The *Measures for Employee Recruitment Management* also stipulates the specific procedures for the termination of employment or dismissal of the Group’s employees and the conditions for employees’ termination of employment. Both the Group and the employees must inform the decision of termination or dismissal in advance in written form and the employee will be issued with a certificate of termination of employment or dismissal after completing the relevant documents and handing over the work in accordance with the regulations.

The implementation of the above measures can ensure that the Group treats our employees with fairness and respect during recruitment and dismissal, and also ensure that the rights and interests of both the Group and employees are protected.

8. CARING FOR EMPLOYEES

8.1.2 Compensation and Promotion

The headquarters have formulated the *Measures for the Management of the Compensation* to regulate the remuneration management of employees in the headquarters. The measures clarify a series of remuneration management related matters, including the management regulations on division of work, rank system, remuneration structure, remuneration calculation and distribution, etc. Our remuneration management is based on three basic principles:



In terms of rank management, we have formulated the *Rank Management Regulations (Provisional)* based on the principle of "Efficiency-first, Dynamic Management" to further standardise the management of the Group's ranking system and broaden the career development and career advancement pathways for employees, promoting the co-development of the corporation and the employees.

8.1.3 Working Hours and Holidays

The headquarters have formulated the *Interim Measures for Employee Leave and Attendance Management* to ensure that employees are entitled to sufficient leave. We also require subsidiaries to formulate their own internal management policies with reference to the measures. The *Interim Measures for the Management of Employee Leave and Attendance* stipulates that the daily working hours of employees are 7 hours, and clearly defines the various types of leave and corresponding remuneration packages that they are entitled to. In addition to statutory holidays and public holidays, we also ensure that employees are entitled to sick leave, marriage leave, maternity leave, work-related injury leave and other holidays.

Each department of the Group assigns an attendance clerk to be responsible for all employees' attendance. The Human Resources Department, the Office and the Discipline and Inspection Department will conduct spot checks on the attendance of each department on an irregular basis to eliminate all forms of forced labour. Once forced labour is found, we will immediately stop the related illegal acts and deal with the personnel involved in accordance with the relevant system of the Group.

8. CARING FOR EMPLOYEES

8.1.4 Equal Opportunity, Diversity and Anti-Discrimination

We have always pursued an equal and diversified employee management policy to ensure that all employees are treated with respect and free from discrimination in recruitment, remuneration and promotion due to gender, age, religious belief, race, disability, illness, marital status or pregnancy. During recruitment, we adhere to the principle of “Open and Fair, Competitiveness and Excellency Oriented” and take professional knowledge, comprehensive quality, professional ability and their matching with the Group’s value system as the selection criteria. In the distribution of compensation and ranks, we determine the salaries and ranks of our employees based on their ability to perform their duties and level of contributions to ensure that the principle of fairness in compensation management is fulfilled.



Spring Festival “Sending Warmth” Staff Visits



Party history learning and education special group lesson



March 8 Women’s Day Theme Activities



The 4th “Safety and Health Cup” Safety Knowledge Contest

8. CARING FOR EMPLOYEES

8.1.5 Employee Benefits and Welfare

We strictly comply with the *Social Insurance Law of the People's Republic of China*, protect the rights of employees to obtain material assistance from the state and society in accordance with the law, and protect the legal rights and interests of our employees to enjoy social insurance benefits.

In addition, as a responsible employer that cares for employees, we are committed to providing employees with good welfare benefits. During the Reporting Period, the headquarters and subsidiaries of the Group carried out a series of diversified employee care activities to protect the physical and mental health of employees and enhance their sense of belonging and happiness.



Tree Planting Day: "Adding Greenery to the Mountain and Color to the Party Flag"



Revolutionary Hero Film Watching



"Summer Cooler" Comfort Program



Flower Viewing Activities

8. CARING FOR EMPLOYEES

8.2 EMPLOYEE SAFETY

The Group upholds the safety management principle of “Prevention-oriented, Prevention-control Integration”. We have formulated a comprehensive safety management system, implemented a series of occupational health and safety management measures for employees and launched various safety training. We are committed to providing a healthy and safe working environment for our employees to avoid work-related injuries or occupational diseases.

During the Reporting Period, the Group has strictly complied with the following laws and regulations that have a significant impact on the Group relating to providing a safe working environment and protecting employees from occupational hazards, including but not limited to:

<i>Law of the People's Republic of China on the Prevention and Control of Occupational Diseases</i>	<i>Work Safety Law of the People's Republic of China</i>	<i>Social Insurance Law of the People's Republic of China</i>
<i>Regulation on Work-Related Injury Insurance</i>	<i>Regulations of Sichuan Province on Production Safety</i>	<i>Fire Protection Law of the People's Republic of China</i>
<i>Emergency Response Law of the People's Republic of China</i>	<i>Regulations on the Safety Management of Hazardous Chemicals</i>	<i>Production accident contingency plan management measures</i>

In order to protect the health and safety of employees during production, the Group has formulated and implemented the *Occupational Health Management System*, the *Work Injury Insurance Management System*, *Regulations of Electricity Safety Equipment Management* and other policies based on the above laws and regulations relating to occupational health and safety and the Group's Safe Production Management Standard, to regulate the management of the Group in the areas of occupational disease hazards, work injury insurance and the use of electrical safety equipment. In addition, we sign the Annual Safety Production Target Responsibility Letter with each functional department of the headquarters and our subsidiaries, as well as require each subsidiary to sign the Letter with their functional departments and general level stations to ensure that each operating unit clearly understands its position in the Group's safety production system and its responsibility for safety production.

During the Reporting Period, the Group invested a total of 1,600,000 yuan in health and safety production resources, and organised more than 90 hours of health and safety training in total, with more than 15,000 employees participated in the training.

During the Reporting Period, in order to comply with the national amendments to the *Work Safety Law of the People's Republic of China*, we specially held the “New Production Safety Law Seminar” to explain the amendments to improve the requirements of production safety principles, the main responsibilities of production and operation units, and the punishment of illegal behaviors for more than 3,000 employees.

8. CARING FOR EMPLOYEES

The Group recorded zero work-related fatalities in the past three reporting years (including the reporting year) and zero lost days due to work injury during the year. We will not slacken our efforts to reduce health and safety risks. In the future, we will strive to create a work environment that promotes physical and mental health.



On 28 June 2021, the Group invited Mr. Zhong Zhaoji, a former member of the standing committee of the Chinese People's Political Consultative Conference of Sichuan Province, the former director of the former Provincial Safety Supervision Bureau and the secretary of the Party Committee, and a visiting professor of Sichuan University, to give lectures to the employees of the Company. This training integrates safety knowledge into the actual work of employees through the interpretation of regulations and the analysis of warning cases, focuses on improving employees' own safety awareness and completely eliminates violations.

On the basis of a sound management system, we have implemented the following occupational health and safety management measures at the Group level (including but not limited to):

Deployment of Management Staff

- For units facing a higher risk of severe occupational disease hazards, there should have a safety manager working part-time for occupational health management, the staff should have the divisions engaged in production and business activities corresponding to the occupational health knowledge and management capabilities, and occupational health training, after obtaining the appropriate qualifications before taking up the post.

Safety Equipment Management

- Electric safety apparatus should be in the power industry power safety apparatus quality supervision, inspection and testing center announced the power safety apparatus manufacturers qualified product list, select the more commonly used products;
- It is strictly prohibited to select, purchase and use electrical safety work equipment with "3 Nos" (no manufacturer's logo, no product license, no product certification) of electrical safety apparatus.

Engineering Occupational Health Assessment

- For some possible occupational disease hazards of engineering construction, technological transformation and technology introduction projects, in the feasibility stage should be carried out pre-evaluation of occupational disease hazards, assessment of the project may produce occupational disease hazards and their impact on workplace safety and health of workers, to determine the type of hazards and occupational disease protection measures.

Occupational Health Knowledge Training

- The subsidiaries must train their employees on occupational health knowledge before and during their employment. The training includes: occupational hazard identification, consequences of occupational hazards, self-protection methods and occupational hazard reporting methods.

Occupational Health Checks

- The subsidiaries regularly organise annual medical checkups for their employees. Occupational health checkups should be undertaken by medical and health institutions that have obtained the Medical Institution Practice Permit, and the cost of occupational health checkups should be borne by the subsidiaries.

8. CARING FOR EMPLOYEES

8.3 Talent Development

Talent development is an important part of human resources management. We follow the people-oriented value, regard employees as a major driving force for enterprise development, and invest a large amount of resources in employee training and career development. We encourage employees to actively learn and continuously improve their work skills and professional knowledge through improving the employee training system, strengthening the construction of talent growth channels and strengthening the assessment orientation, so as to contribute to the development of the enterprise.

In order to strengthen the Group's talent team building, enhance employees' knowledge and skills, establish a learning enterprise and enhance the Group's core competitiveness, we have formulated and implemented the *Measures for the Administration of Training* and Interim Measures for the Temporary Position Training to standardise the management of the Group's education and training. The *Measures for the Administration of Training* clarifies the principle of "People-oriented, Servicing Strategy, Centralised Management, Hierarchical Implementation" for the Group's training, and regulates the management of training forms and levels, training plans and effectiveness evaluation.

Our training mainly covers two categories, namely business training and occupational safety training. The Group's Human Resources Department conducts an analysis of the Group's strategy and strategic human resources planning in October each year. Through conducting interviews with the Group's senior management, department heads and Human Resources Departments of subsidiaries, and requesting each subsidiary to fill in the Annual Training Needs Form, we formulate training plans for the following year. The four major considerations for the Group's training needs analysis are as follows:



8. CARING FOR EMPLOYEES

8.3.1 Business Training

During the pandemic, the Group actively carried out a series of online training with rich contents through various platforms to ensure that employees can continue to improve their personal professional knowledge and skills during the pandemic, and be fully prepared for the resumption of work and production in the future. The Group organised and carried out the online learning platform training of “Quantitative & Cloud University”. Leveraging the advantages of the Internet, the Group built a training system integrating “online + offline” and actively encouraged employees to participate in learning, so as to consolidate the theoretical foundation and develop professional skills, thereby enhancing the core competitiveness of the position.

Our training is divided into different categories, including management, professional and technical, business training, safety education, continuing education, induction training, follow-up academic education, human resources, financial education, financial training, etc. Through multi-directional knowledge and skills training, we strive to comprehensively improve the business skills of employees, build a team of employees with modern enterprise operation and management capabilities and high professional standards, and provide strong talent support for our business development.

8.3.2 Occupational Safety Training

In order to further strengthen the Group’s safety production management and facilitate the high-quality development of the Group, the Group has established an occupational health and safety training system during the Reporting Period, which has incorporated safety training into the key points of safety work throughout the year. At the same time, the Group has issued safety training plans to the headquarters and subsidiaries every year, and carried out safety training for all employees, three-level safety training for new employees, and special operation personnel training as planned. The training covers safety production operation procedures and fire safety training. After the training, the trainees will be assessed. Those who fail the assessment will be required to participate in the same type of training and pass the examination again. Otherwise, they will not be allowed to work in accordance with relevant laws and regulations and the Group’s regulations.

For management personnel, we held safety management personnel training during the Reporting Period, covering the knowledge of safety management laws and regulations interpretation, occupational health, safety production risk control and accident analysis in corporate safety management. This has strengthened the comprehensive quality and capabilities of our safety management personnel, further enhanced the safety awareness in the production process, comprehensively improved the safety management level, and laid a solid foundation for cultivating an excellent talent team for safe production.

8. CARING FOR EMPLOYEES

8.4 HUMAN RESOURCES PERFORMANCE

As of the end of 2021, the Group had a total of 2,944 employees. Our human resources performance is as follows:

Number of employees and turnover

Category		Number of employees (person)	Number of employee turnover (person)	Turnover rate ⁷ (percentage)
Gender	Male	2,261	56	2%
	Female	683	65	10%
Age Group	Under 35 years old	511	17	3%
	35-50 years old	1,562	53	3%
	Over 50 years old	871	51	6%
Region	Chengdu, Sichuan Province	101	4	4%
	Yibin, Sichuan Province	2,814	117	4%
	Zhaotong, Yunnan Province	29	0	0%

Number and hours of employee training

Category		Number of employees (person)	Number of trainees (person)	Average training hours ⁸ (hours)	Training rate ⁹ (percentage)
Gender	Male	2,261	2,261	99.93	100%
	Female	683	683	118.73	100%
Employee Category	Senior Management	68	68	91.38	100%
	Middle Management	367	367	174.2	100%
	General Employees	2,509	2,509	89.44	100%

7 The employee turnover rate is calculated by dividing the number of employee turnover in the category during the Reporting Period by the total number of employees in the category as at the end of the Reporting Period.

8 The calculation of average training hours of employees is based on the total training hours of employees in the category/the total number of employees in the category.

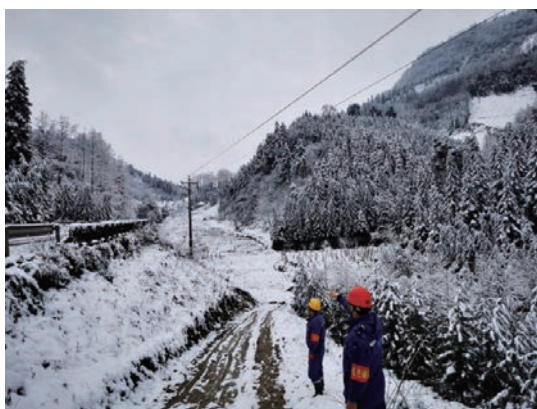
9 The calculation method of the percentage of employee training is: the number of such trained employees/the total number of trained employees.

9. GIVING BACK TO SOCIETY

As a practitioner of corporate social responsibility, we adhere to the principle of “integrity for enterprise and people-oriented”. With the aim of enhancing value and giving back to the society, on the basis of its own business development, the Group actively supports the disadvantaged groups and gives back to the society.

9.1 FIGHTING ICY WEATHER AND PROTECTING ELECTRICITY POWER

During the Spring Festival, affected by the continuous cold air, some areas of Yibin suffered from ice and snow. In order to ensure the safe and stable operation of the power grid and ensure a comfortable and warm Spring Festival for the public in the supply area, the Group has fully implemented the safety measures in response to rainy, snowy and freezing weather in accordance with the arrangement, eliminated potential safety hazards in a timely manner, ensured the safe and stable operation of lines and equipment, and ensured the safety, stability and reliability of power supply.



Sichuan Energy Xingwen Electricity actively cooperated with meteorological departments, revised and improved the *Emergency Plan for Anti-ice and snow weather and Electricity Protection*, and organised emergency rescue teams to go to each line to carry out special inspections, so as to fully ensure that the lines and equipment in the area operate reliably in icy and snowy weather. At the same time, we strictly implemented the leadership shift system and 24-hour duty system to ensure smooth communication and information channels, and to ensure prompt reporting and emergency response in case of emergencies.

Sichuan Energy Junlian Electricity comprehensively strengthened the dispatch and operation management of the power grid, prepared various emergency management measures for the weak links of the power grid, and organised the Party member team to timely remove the ice and snow of the line equipment on the premise of ensuring the safety of personnel and equipment, so as to prevent the collapse of the pole line.

Based on the operation characteristics of winter equipment, Sichuan Energy Gong County carried out a full-coverage blanket search on potential problems, and increased the frequency of heavy load line inspection, regular inspection of line equipment snow cover and line equipment temperature, humidity, to effectively prevent the melting of snow affecting the work of the grid.

As of the end of the ice and snow season, the Group’s power grid was safe and stable, and there was no power failure that affects the production and life of the society. In the next step, the Group will pay close attention to the changes in weather, strengthen the scientific dispatch of the power grid in combination with the actual electricity consumption during the Spring Festival, make every effort to do a good job in equipment inspection and inspection, investigation and rectification of potential safety hazards, and effectively build a “safety wall” of electricity to provide reliable power supply for the people.

9. GIVING BACK TO SOCIETY

9.2 POWER PROTECTION FOR COLLEGE ENTRANCE EXAMINATION

In order to ensure the safety of power supply during the critical period of the college entrance examination, we held a special meeting to make arrangement and deployment for the power protection work of the college entrance examination in advance. Through the formulation of power security plans and the analysis of grid load prediction, the Group reasonably arranged the operation mode and comprehensively grasped the operation status of power supply lines.

The relevant leaders of each subsidiary of Sichuan Energy Investment Development visited each examination site in the jurisdiction for multiple times and conducted spot checks on the preparation work for power supply guarantee to ensure that all measures are implemented. Each subsidiary conducted risk analysis on possible weather conditions, arranged accident prediction and plan drills, and continued to refine and improve the *Power Protection Plan for College Entrance Examination* according to the drills, so that the plan is more operable and practical.

Sichuan Energy Pingshan Electricity formulated the *Emergency Response Plan for Power Supply Guarantee under the National Education Examination of Pingshan County in 2021*, and set up a leading group for emergency response for power supply safety headed by the deputy secretary of the Party Committee and the general manager. There are power support groups, emergency rescue groups, logistics support groups, etc., to provide full support for the national education examination in Pingshan County. Sichuan Energy Gong County has formulated detailed power protection plans and emergency plans for the College Entrance Examination, established a leading group for power protection for the College Entrance Examination, and set up three working groups, namely on-site coordination group, power grid operation group and power transmission and distribution group, to clarify the division of responsibilities and refine power protection measures.

During the College Entrance Examination, Sichuan Energy Investment Development further optimised the operation mode of power grids, continued to strengthen the inspection of power supply lines and equipment and facilities, and set up 24-hour emergency rescue teams and emergency power generation vehicles at the examination site to ensure the safe and reliable operation of equipment.



9. GIVING BACK TO SOCIETY

9.3 CARING FOR THE COMMUNITY

We always pay attention to the needs and development of the community and organise a series of community care activities in an orderly manner. In 2021, the Party organisations at all levels of the Group dispatched a total of 94 village cadres, and conducted early warning and monitoring of returning to poverty for 1221 persons covering 348 households that have got rid of the poverty, so as to ensure a full coverage of the households that have got rid of the poverty or that are facing the poverty risks and other key groups. Simultaneously, through volunteer services, visits and condolences, the Group has established a good relationship with the local people and contributed to the brightness of the community.

On 11 June 2021, the Party branch of Sichuan Energy Gao County dispatched 35 volunteers to promote the use of electricity in the community in summer, visited 108 residents in the community, and explained and promoted the knowledge of safe use of electricity, so that residents can correctly master the common knowledge of saving electricity. In addition, during the visit, we sorted out the home lines for low-income households, eliminated the hidden dangers of short-distance travel, and voluntarily replaced electrical lines, fluorescent lamps, and installed lamps.



On Children's Day in 2021, Sichuan Energy Xingwen Electricity donated materials to a special children's school in Xingwen County on the same day, sending love and care to special children.



On 16 September 2021, Sichuan Energy Gong County organised a party member service team and more than 10 young volunteers to visit Mutan Xinjian Village, a targeted poverty alleviation village, to carry out the volunteer service activity of "Warm the Golden Autumn, Warm the Power" and care for the elderly living alone. The volunteers provided daily necessities for the elderly, cleaned and sorted out their houses, and conducted inspection on potential electrical hazards of low-voltage circuits, indoor electrical appliances and other electrical equipment to ensure the safe use of electricity by elderly users.

9. GIVING BACK TO SOCIETY

To ensure that our business operations always care for the benefits of the society, the Group has established relevant internal guidelines for volunteer service work. The Party Committee of Sichuan Energy Gong County has formulated the *Implementation Plan for Carrying Out Volunteer Service Activities of Party Members*, striving to maintain a good level of volunteer service, which reflects the loyalty and responsibility of the Group with practical actions, and leads the society to actively participate in volunteer services.



During the COVID-19 pandemic, the Party member service team of Sichuan Energy Junlian Electricity conducted an external visit to register vaccination information for the public.



On 10 May 2021, the supporting cadres of Sichuan Energy Pingshan Electricity went to Jinping Town to carry out the activity of “large-scale visits, large-scale research, and large-scale condolences” to visit poverty-stricken households, communicate with them in depth, and answer their questions about electricity consumption, so as to help eliminate the risk of returning to poverty.



Sichuan Energy Yibin Electricity Construction organised young volunteers to visit the Special Education School of Xuzhou District, Yibin City. Through the sign translation of teachers, a lively and safe electricity course was brought to students. The volunteers also completed hand-making with students and spent a happy time together.

10. Content Index of the Environmental, Social and Governance Reporting Guide

Mandatory Disclosure Requirements	Content	Chapter Reference or Notes
Governance Structure	<p>A statement from the board containing the following elements:</p> <ul style="list-style-type: none"> (i) a disclosure of the board’s oversight of ESG issues; (ii) the board’s ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer’s businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer’s businesses. 	<p>5. Sustainable Development Management</p> <p>5.1 ESG Governance Structure</p> <p>5.2 ESG Targets</p> <p>5.3 ESG Risk Management</p>
Reporting Principles	<p>A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report:</p> <p>Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer’s stakeholder engagement.</p> <p>Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.</p> <p>Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.</p>	<p>2.3 Reporting Guidelines</p>
Reporting Boundary	<p>A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.</p>	<p>2.1 Reporting Scope</p>

10. Content Index of the Environmental, Social and Governance Reporting Guide

Aspect	KPI	Content	Chapter Reference or Notes
A. Environmental aspect			
A1 Emissions	General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on</p> <p>the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p> <p>Note: Air emissions include NO_x, SO_x, and other pollutants regulated under national laws and regulations.</p> <p>Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.</p> <p>Hazardous wastes are those defined by national regulations.</p>	<p>7. Green Operation</p> <p>7.1 Environmental Protection Management</p> <p>7.3 Natural Resources</p> <p>7.4 Energy Conservation and Emission Reduction</p>
	A1.1	The types of emissions and respective emissions data.	<p>7.4.2 Emissions Management</p> <p>7.4.3 Environmental Performance</p>
	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).	<p>7.4 Energy Conservation and Emission Reduction</p> <p>7.4.3 Environmental Performance</p>
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	7.4.3 Environmental Performance
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	7.4.3 Environmental Performance
	A1.5	Description of emissions target(s) set and steps taken to achieve them.	<p>5.2 ESG Targets</p> <p>7.4 Energy Conservation and Emission Reduction</p>
	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.	<p>5.2 ESG Targets</p> <p>7.4 Energy Conservation and Emission Reduction</p>

10. Content Index of the Environmental, Social and Governance Reporting Guide

Aspect	KPI	Content	Chapter Reference or Notes
A2 Use of Resources	General Disclosure	<p>Policies on the efficient use of resources, including energy, water and other raw materials.</p> <p>Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</p>	<p>7. Green Operation</p> <p>7.1 Environmental Protection Management</p> <p>7.3 Natural Resources</p> <p>7.4 Energy Conservation and Emission Reduction</p>
	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).	7.4.3 Environmental Performance
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	7.4.3 Environmental Performance
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	<p>5.2 ESG Targets</p> <p>7.4 Energy Conservation and Emission Reduction</p> <p>7.4.1 Resources Conservation</p> <p>7.4.2 Emissions Management</p>
	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.	<p>5.2 ESG Targets</p> <p>7.4 Energy Conservation and Emission Reduction</p> <p>7.4.1 Resources Conservation</p> <p>7.4.2 Emissions Management</p>
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable to the Group's business

10. Content Index of the Environmental, Social and Governance Reporting Guide

Aspect	KPI	Content	Chapter Reference or Notes
A3 The Environmental and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	7. Green Operation 7.1 Environmental Protection Management 7.3 Natural Resources 7.4 Energy Conservation and Emission Reduction
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	7. Green Operation 7.1 Environmental Protection Management 7.3 Natural Resources 7.4 Energy Conservation and Emission Reduction
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.	5.3 ESG Risk Management 7.2 Climate Change
	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.	5.3 ESG Risk Management 7.2 Climate Change

10. Content Index of the Environmental, Social and Governance Reporting Guide

Aspect	KPI	Content	Chapter Reference or Notes
B. Social aspect			
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.	8. Caring for Employees 8.1 Human Resources Management 8.1.2 Compensation and Promotion 8.1.3 Working Hours and Holidays 8.1.4 Equal Opportunity, Diversity and Anti-Discrimination 8.1.5 Employee Benefits and Welfare
	B1.1	Total workforce by gender, employment type, age group and geographical region.	8.4 Human Resources Performance
	B1.2	Employee turnover rate by gender, age group and geographical region.	8.4 Human Resources Performance
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.	8.2 Employee Safety
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	8.2 Employee Safety
	B2.2	Lost days due to work injury.	8.2 Employee Safety
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	8.2 Employee Safety 8.3.2 Occupational Safety Training

10. Content Index of the Environmental, Social and Governance Reporting Guide

Aspect	KPI	Content	Chapter Reference or Notes
B3 Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	8.3 Talent Development
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	8.4 Human Resources Performance
	B3.2	The average training hours completed per employee by gender and employee category.	8.4 Human Resources Performance
B4 Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	8.1 Human Resources Management
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	8.1 Human Resources Management 8.1.1 Recruitment and Dismissal
	B4.2	Description of steps taken to eliminate such practices when discovered.	8.1 Human Resources Management 8.1.1 Recruitment and Dismissal
B5 Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	6.2 Responsible Procurement
	B5.1	Number of suppliers by geographical region.	6.2 Responsible Procurement
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	6.2 Responsible Procurement
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	6.2 Responsible Procurement

10. Content Index of the Environmental, Social and Governance Reporting Guide

Aspect	KPI	Content	Chapter Reference or Notes
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	6.2 Responsible Procurement
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.	6.1 Quality Guarantee 6.1.2 Customer Service 6.1.3 Information Security and Privacy
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable to the Group's business
	B6.2	Number of products and service-related complaints received and how they are dealt with.	6.1.2 Customer Service
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	6.1.3 Information Security and Privacy
	B6.4	Description of quality assurance process and recall procedures.	6.1.1 Safe Power Supply Recalling procedures are not applicable to the Group's business
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	6.1 Quality Guarantee 6.1.2 Customer Service 6.1.3 Information Security and Privacy

10. Content Index of the Environmental, Social and Governance Reporting Guide

Aspect	KPI	Content	Chapter Reference or Notes
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.	6.3 Anti-corruption
	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.	6.3 Anti-corruption
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	6.3 Anti-corruption
	B7.3	Description of anti-corruption training provided to directors and staff.	6.3 Anti-corruption
B8 Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	9. Giving Back to Society 9.1 Fighting Icy Weather and Protecting Electricity Power 9.2 Power Protection for College Entrance Examination 9.3 Caring for the Community
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	9. Giving Back to Society 9.1 Fighting Icy Weather and Protecting Electricity Power 9.2 Power Protection for College Entrance Examination 9.3 Caring for the Community
	B8.2	Resources contributed (e.g. money or time) to the focus area.	9. Giving Back to Society 9.1 Fighting Icy Weather and Protecting Electricity Power 9.2 Power Protection for College Entrance Examination 9.3 Caring for the Community