

# 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



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# 1. ABBREVIATIONS

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

<b>“Sichuan Energy Investment Development”</b>	Sichuan Energy Investment Development Co., Ltd.
<b>“The Report”</b>	Sichuan Energy Investment Development Co., Ltd.’s 2025 Environmental, Social and Governance Report
<b>“The Group”, “The Company” or “We”</b>	Collective reference of Sichuan Energy Investment Development Co., Ltd. and subsidiaries
<b>“During the year”, “2025” or “The Reporting Period”</b>	1 January 2025 to 31 December 2025
<b>“Headquarters”</b>	Headquarters of Sichuan Energy Investment Development Co., Ltd., excluding its subsidiaries
<b>“Subsidiaries”</b>	Subsidiaries of Sichuan Energy Investment Development that are included in the Report’s scope (refer to section 2.1 “Reporting Scope” for details)
<b>“Board of Directors”</b>	Board of Directors of Sichuan Energy Investment Development Co., Ltd
<b>“Employees”</b>	Employees of Sichuan Energy Investment Development Co., Ltd. and its subsidiaries
<b>“PRC”</b>	People’s Republic of China
<b>“SEHK”</b>	The Stock Exchange of Hong Kong Limited
<b>“The Rules”</b>	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong
<b>“the Code”</b>	Environmental, Social and Governance Reporting Code (Effective from 1 January, 2025), Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
<b>“ESG”</b>	Environmental, Social and Governance
<b>“ESG Working Group”</b>	Environmental, Social and Governance Working Group
<b>“RMB”</b>	Renminbi, the lawful currency of PRC
<b>“Kilowatt-hour” or “kWh”</b>	Unit of energy, equivalent to the amount of energy produced in one hour by a generator with a power of one kilowatt
<b>“Megawatt-hour” or “MWh”</b>	Unit of energy, equivalent to 1,000 kWh

## 2. ABOUT THE REPORT

This is the eighth ESG report issued by Sichuan Energy Investment Development since its listing on the SEHK. The purpose of the Report is to report on the Group's sustainability-related performance for the year 2025 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 is as follows:

Subsidiaries	Abbreviations	Subsidiaries' Business Location	Main Business
Sichuan Energy Investment Yibin Xuzhou Electricity Co., Ltd.	Sichuan Energy Xuzhou Electricity	Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Development and Construction Co., Ltd.	Sichuan Energy Investment Development and Construction	Yibin City, Sichuan Province	Electrical Installation
Sichuan Energy Investment Gong County Electricity Co., Ltd.	Sichuan Energy Gong County Electricity	Gong County, 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 Yibin Power Generation Co., Ltd.	Sichuan Energy Yibin Power Generation	Gao County, Yibin City, Sichuan Province	Power Generation
Sichuan Energy Power Investment Pingshan Electricity Co., Ltd.	Sichuan Energy Pingshan Electricity	Pingshan 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 Investment Junlian Electricity Co., Ltd.	Sichuan Energy Junlian Electricity	Junlian County, Yibin, Sichuan Province	Electricity Sales
Shuifu Yangliutan Power Generation Co., Ltd.	Sichuan Energy Yangliutan Power Generation	Shuifu City, Yunnan Province	Power Generation
Sichuan Energy Investment Electric Energy Co., Ltd.	Sichuan Energy Electric Energy	Yibin City, Sichuan Province	Electricity Sales
Sichuan Energy Investment Gao County Integrated Energy Co., Ltd.	Sichuan Energy Gao County Integrated Energy	Gao County, Yibin City, Sichuan Province	Electricity Sales

## 2. ABOUT THE REPORT

Subsidiaries	Abbreviations	Subsidiaries' Business Location	Main Business
<b>Sichuan Energy Investment Junlian Green Energy Co., Ltd.</b>	Sichuan Energy Junlian Green Energy	Junlian County, Yibin, Sichuan Province	Electricity Sales
<b>Sichuan Energy Investment Changning Green Energy Co., Ltd.</b>	Sichuan Energy Changning Green Energy	Changning County, Yibin City, Sichuan Province	Electricity Sales
<b>Sichuan Energy Investment Xingwen Green Energy Co., Ltd.</b>	Sichuan Energy Xingwen Green Energy	Xingwen County, Yibin City, Sichuan Province	Electricity Sales
<b>Sichuan Energy Investment Xingwen Clean Energy Technology Co., Ltd.</b>	Sichuan Energy Xingwen Clean Energy Technology	Xingwen County, Yibin City, Sichuan Province	Electricity Sales

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 scope of the Report remains consistent with 2024. Unless otherwise stated, the timeframe of the Report is from 1 January 2025 to 31 December 2025.

### 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 Code. 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.



## 2. ABOUT THE REPORT

### **Quantitative:**

To comprehensively assess the Group's ESG performance during the Reporting Period, the Group disclosed the applicable quantitative Key Performance Indicators (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.

### **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.

### **Balance:**

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

## 2.4 CONTACT US

We welcome your comments and suggestions on the Report. You can also contact the Group by the following methods:

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## 3. CHAIRMAN'S STATEMENT

In 2025, Sichuan Energy Investment Development Co., Ltd. deeply integrated Environmental, Social and Governance (ESG) concepts throughout the Company's decision-making and management processes. Guided by our core principle of "safeguarding livelihoods, ensuring safety and supply stability, driving technological innovation, and promoting high-quality development", we coordinated advancements in operational development, reform and innovation, power supply services, and safety and environmental protection. We achieved breakthrough progress in green transformation, environmental stewardship, corporate governance, and social responsibility, delivering an outstanding ESG performance. The Company secured a place on China's 2025 ESG Top 200 List for Energy Sector Listed Companies, climbing to 28th place among 632 listed companies in the energy sector, a performance highly recognised by the industry.

### I. Focusing on Green Transformation to Foster a Robust Foundation for High-Quality Development

Facing the global challenge of climate change, the Company is keenly aware of its environmental responsibilities. In 2025, we firmly pursued a development path prioritising ecology, green growth and low-carbon initiatives.

In green energy development, actively responding to Sichuan Province's initiative to build a "Clean Energy Demonstration Province", the Company continued to increase its investment and strategic expansion in green energy projects. We steadily advanced the construction and grid connection of multiple projects, including distributed photovoltaics, charging piles and energy storage facilities in various counties, injecting green momentum into the optimisation of the rural energy structure.

In terms of grid intelligence, energy conservation and consumption reduction, we increased investment to upgrade and transform our transmission and distribution networks, promoting the application of advanced technologies such as smart meters and distribution automation. This effectively reduced grid losses and improved energy utilisation efficiency. Our own operations also rigorously implemented energy conservation and environmental protection measures, systematically reducing our carbon footprint through initiatives like energy-efficient retrofitting of office buildings, promoting paperless offices and constructing green data centres.

Regarding biodiversity protection and environmental management, we strictly complied with national environmental regulations. We implemented rigorous environmental impact assessments and protection measures across all project development and operational phases, striving to minimise the impact of our production and business activities on the surrounding ecological environment and safeguarding Sichuan's lush mountains and clean waters.



### 3. CHAIRMAN'S STATEMENT

#### II. Fulfilling Social Responsibilities and Sharing the Value of Sustainable Development

The Company's growth stems from society, and we are committed to giving back to it. We have always placed the interests of our employees, customers, communities, and other stakeholders at the heart of what we do.

**Ensuring Safe and Reliable Energy Supply:** Facing challenges such as extreme weather, the Company made every effort to guarantee the safe and stable supply of electricity within its jurisdiction, particularly focusing on meeting the power needs of households and essential users. This demonstrated our role as a dependable state-owned enterprise "capable of rising to challenges and being relied upon". We continuously optimised the electricity business environment and improved the "access to electricity" service level, maintaining customer satisfaction at a high level within the industry.

**Empowering Rural Revitalisation and Community Development:** Leveraging our business operations, we deeply advanced projects to consolidate and upgrade rural power grids, ensuring the electricity demand for rural revitalisation was met. Concurrently, we actively engaged in activities related to public welfare and charity, educational support and community co-development, fostering harmonious and mutually beneficial relationships with the communities where we operate. In 2025, several of the Company's volunteer service projects received local commendations.

**Caring for Employee Growth and Safety:** We regard our employees as our most valuable asset. We continuously improve our occupational health and safety management system, striving for the "zero safety accidents" goal. We have established a diversified platform for training and development, supporting employees' skill enhancement. We foster an inclusive, equitable and respectful workplace, safeguarding employees' legitimate rights and stimulating team vitality and creativity.

#### III. Improving the Governance System to Consolidate the Foundation for Sustainable Development

Sound governance is the cornerstone for implementing ESG principles and achieving long-term business success. The Company continuously refines its modern enterprise system and governance structure:

**Deepening Risk Management and Compliance Operations:** We have constructed a comprehensive risk management framework covering all ESG areas, continuously identifying and addressing emerging risks such as climate change, cybersecurity and supply chain responsibility. We uphold the baseline of business ethics and compliance, strengthening our anti-corruption and anti-fraud systems to ensure transparency and integrity in our operations.

**Enhancing Information Disclosure and Transparency:** We continuously benchmark against mainstream domestic and international ESG disclosure standards, steadily refining the content of our reports. Through various channels including annual reports, ESG reports, announcements and investor communications, we clearly and accurately convey to stakeholders our efforts and achievements in sustainable development.

Looking ahead, the blueprint for achieving carbon peak and carbon neutrality has been drawn, and the energy revolution alongside digital transformation is in full swing. Sichuan Energy Investment Development will remain true to its original aspirations, bravely undertake its mission, embed ESG principles more deeply into its corporate DNA, drive green transformation through technological innovation, address risks and challenges with excellent governance, and serve society and people's livelihoods with sincere dedication.

*Chairman*  
**Jing He**

22 April 2026



## 4. ABOUT US

Sichuan Energy Investment Development was established in Chengdu, Sichuan Province on 29 September 2011 and listed on the Main Board of the Stock Exchange in December 2018. It is the first H-share listed company in the domestic electricity distribution and sale industry.

We are a vertically integrated power supplier and service provider serving Yibin City, Sichuan Province, with an integrated power service of power generation, distribution and sales. We have a stable user base and an integrated power supply network in Yibin City, which enables us to optimise the utilisation of surplus power resources in our power supply network through efficient power distribution. Our business consists of (i) power business, which includes power generation, distribution and sales, and is divided into general power supply business and incremental power transmission and distribution business; and (ii) electricity engineering construction service (EECS) business, which includes EECS business 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 the level of informatisation; strengthen cost control and continuously improve profitability; focus on diversified development, create an industrial picture with complementary advantages, and strive to become a world-class listed company of modern integrated energy services, to create higher and better investment returns for all shareholders.

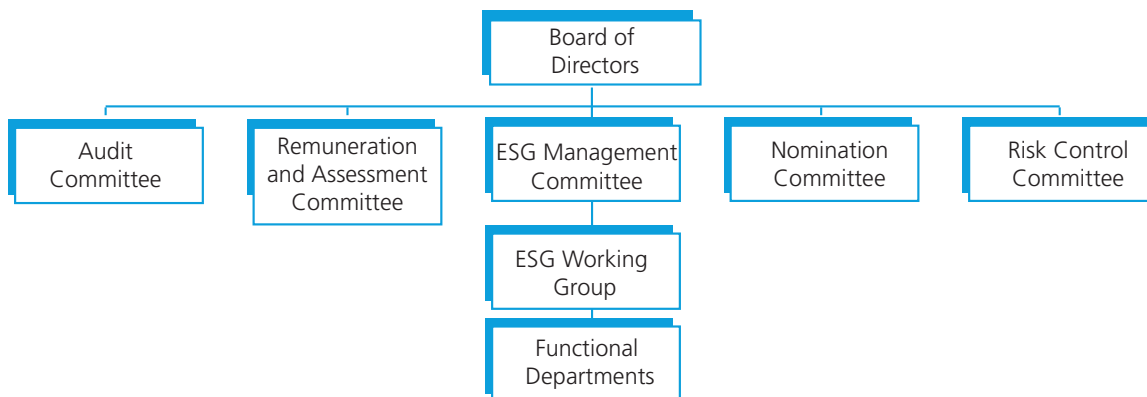
As of the end of the Reporting Period, the Group recorded revenue of approximately RMB4,968.1 million, representing a year-on-year increase of 4.0%. Our total assets amounted to RMB7.64 billion, representing a year-on-year increase of 3.8%. As of December 31, 2025, we owned a total of 6 hydropower plants with an aggregate installed capacity of 127,030 kW. We also have 3 of 220-kV substations with a total transformer capacity of 1,080,000 kVA, 28 of 110-kV substations with a total transformer capacity of 1,992,000 kVA, and 59 of 35-kV substations with a total transformer capacity of 637,200 kVA.

# 5. SUSTAINABLE DEVELOPMENT MANAGEMENT

## 5.1 ESG GOVERNANCE STRUCTURE

The Group has established an ESG governance framework directly overseen by the Board of Directors, dedicated to coordinating sustainability-related matters and ensuring that the sustainable development strategy is highly aligned with the Group's overall strategy. This framework promotes the comprehensive integration of ESG principles into all operational processes and business decision-making, providing a robust foundation for the Group's sustainable development.

To further strengthen the implementation effectiveness of our ESG strategy, the Group has established an ESG Management Committee, which reports directly to the Board of Directors, within the existing ESG governance framework. Members of this ESG Management Committee include senior management personnel responsible for ESG-related matters across the Group. The Chairman of the Committee is formally appointed by the Board of Directors and is responsible for leading all members in reporting ESG work progress to the Board, and providing professional advice and feedback to the Board, management, and relevant business departments as needed.



The **Board of Directors** serves as the highest decision-making body in the Group's ESG governance framework. Its core responsibilities encompass: overseeing the overall direction of the Group's ESG strategy; reviewing and making decisions on ESG risks, climate risks, and potential development opportunities closely related to the Group's business; ensuring the establishment of comprehensive, appropriate, and effective ESG management systems and internal control mechanisms; formulating ESG management principles, overall strategy, priorities, and phased objectives; periodically reviewing the implementation performance of ESG objectives and climate change objectives; and approving all disclosure content in ESG reports.



## 5. SUSTAINABLE DEVELOPMENT MANAGEMENT

Authorised and appointed by the Board of Directors, the **ESG Management Committee** is responsible for overseeing the formulation and implementation of sustainable development (including climate change) related policies, assisting the Board in advancing the construction, improvement, and efficient operation of the Group's ESG management system. It also supervises the ESG Working Group in diligently fulfilling all ESG-related responsibilities, including the identification, assessment, and management of ESG risks and climate risks, as well as the setting of ESG and climate change objectives, and regularly reports overall progress to the Board.

The **ESG Working Group** participates comprehensively in all Group matters related to ESG and climate change under the authorisation and guidance of the Board of Directors and the ESG Management Committee. Its core responsibilities include: coordinating the orderly and efficient implementation of ESG-related work across all functional departments of the headquarters and subsidiaries; regularly reporting significant ESG matters, work progress, and existing issues to the Board; communicating the Group's strategic direction, implementation requirements, and specific measures for ESG management; collecting and consolidating ESG management measures and performance data from all operational aspects to provide a solid basis for Board decision-making; coordinating the collection, organisation, and consolidation of information required for the ESG Report, and submitting the report to the Board for approval according to established procedures; and proposing reasonable optimisation suggestions to the Board based on the actual implementation of ESG work, ensuring that the Board's supervisory function over ESG work is continuously optimised and effectively implemented.

**All functional departments and subsidiaries** are responsible for the management and data collection of specific ESG initiatives within their respective domains. They strictly adhere to the Group's established ESG management systems and execution procedures, ensuring that ESG governance requirements permeate all business levels and are implemented in every execution phase.

### 5.2 ESG RISK MANAGEMENT

A sound and effective risk management system is an integral part of corporate governance. We have built a comprehensive 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 in the operation. The system enhances the Group's risk management and control culture, and also lays a solid foundation for our sustainable development.

#### 5.2.1 ESG Risk Management Framework and Responsibilities

As the ultimate decision-making body, the Board of Directors bears overarching responsibility for assessing and defining the Group's principal ESG risks, ensuring the establishment and maintenance of appropriate and effective risk management and internal control systems. To fulfil this responsibility, the Board of Directors has established a Risk Control Committee, authorised to oversee management in designing, implementing, and monitoring risk management and internal control systems. ESG risks are fully integrated into our existing risk management system, and we strictly follow standardised processes for their identification and control.

The Risk Control Committee conducts regular reviews of the Group's risk profile, including ESG risks, and provides expert recommendations to the Board of Directors. This governance structure ensures that the Group holistically addresses ESG risks, enabling timely mitigation and management through an effective risk control mechanism. Such measures strengthen our operational resilience and sustainability.



## 5. SUSTAINABLE DEVELOPMENT MANAGEMENT

### 5.2.2 ESG Risk Management Process, Results, and Response Strategies

Through the effective operation of our risk management and internal control procedures, the Group is able to accurately identify, assess, prioritise, and manage the significant risks encountered in achieving business objectives, as well as the derived ESG risks. The specific implementation steps are as follows:

#### Step 1: ESG Risk Identification and Establishment of an ESG Risk Library

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. Through a comprehensive analysis of macro-development trends, key sustainability topics for the current year, and the focal points of peer companies, the Group precisely identified 10 ESG risks highly relevant to its business from the four areas of environment, social, governance, and technology, thereby constructing the ESG risk library for the Reporting Period.

#### Step 2: Prioritisation of ESG Risks

Following the initial identification, we invited the corresponding departments responsible for each relevant area to confirm the risk descriptions. Heads of the relevant departments then conducted quantitative scoring based on two dimensions: “severity of impact” and “likelihood of occurrence”. Based on the scoring results, we determined the level of each risk and, according to this prioritisation, ultimately identified 5 material ESG risks for the Reporting Period.

#### Step 3: Consolidation and Confirmation of Material ESG Risks

After establishing the risk prioritisation, we consolidated the assessment results and compiled them into a dedicated risk report. This report was then submitted to the Risk Control Committee of the Board of Directors for review. Following its consideration, it was presented to a meeting of the Board of Directors for final approval. In response to the approved results, the Group promptly formulated and implemented corresponding risk control measures, while comprehensively integrating ESG risk management into the enterprise’s overall risk management process for standardised operation.

The material ESG risks identified by the Group in 2025 and the corresponding measures are as follows:

Material ESG risks	Potential impact	How we respond
Climate change and extreme weather	Climate change leads to the frequent occurrence of extreme weather events (such as heavy rainfall, lightning strikes, and storms), which may cause severe damage to large-scale infrastructure like power lines and poles, threatening the security of the power supply.	To ensure normal production and operations, we continuously strengthen our emergency response capabilities for extreme weather. This includes the formulation of the <i>Emergency Plan for Flood Control</i> , the <i>Emergency Plan for Severe Weather Disaster</i> , the <i>Emergency Plan for Preventing and Responding to Wind Weather Accidents</i> , and the <i>Emergency Plan for Prevention and Response to High Temperature and Drought</i> . These plans aim to mitigate the damage caused by extreme weather to people’s lives and property, and enable us to assist in the reconstruction of affected areas as quickly as possible.

## 5. SUSTAINABLE DEVELOPMENT MANAGEMENT

Material ESG risks	Potential impact	How we respond
Employee health and safety	Potential health and safety impacts on employees arising from facility safety hazards at operational sites, including ageing power station equipment, safety accidents, and natural disasters.	To fully prevent various types of safety accidents, we conduct inspections targeting key periods, critical areas, and important facilities, continuously addressing and rectifying potential safety risks in production. For facilities such as substations and dispatch centres, senior management regularly conducts supervision of key projects and pre-holiday/quarterly special inspections on safety production to ensure the safe and stable operation of grid equipment.
Grid safety and stability	Grid instability, inadequate planning, or imperfect transmission and distribution facilities may weaken power generation capacity and output efficiency, consequently affecting business operations, reducing market competitiveness, and impacting corporate revenue.	<p>The Group's core mission is to ensure the safe operation of the power grid and the stable supply of electricity. We are committed to providing customers with safe and reliable electricity services and effectively safeguarding the lives and property of the general public. The electricity we sell is primarily sourced from the Group's own hydropower stations and third-party suppliers. Through power supply facilities such as step-up and step-down substations and transmission and distribution lines (for end-use), we provide high-quality electricity services to industrial, commercial, household, and other users.</p> <p>During peak demand periods, the Group actively increases its reserve of externally purchased power. During non-drought seasons, we store water as much as possible according to reservoir capacity. Concurrently, by reducing electricity consumption from high energy-consuming enterprises and promoting orderly electricity usage, we strive to maximise the stable supply of electricity for households.</p>



## 5. SUSTAINABLE DEVELOPMENT MANAGEMENT

Material ESG risks	Potential impact	How we respond
<b>Product responsibility and service quality</b>	<p>During the investment, construction, and operation of energy projects, any lapses in quality control or delayed service responses that fail to meet technical standards or customer expectations may lead to quality disputes or complaints.</p>	<p>We carry out technical transformations on ageing equipment, optimise the grid structure, and strengthen equipment inspection and maintenance to ensure equipment remains in good condition, thereby further enhancing power supply reliability and power quality.</p> <p>Furthermore, to facilitate effective communication with customers and enhance customer satisfaction, we have established a customer service hotline for handling customer complaints and enquiries regarding electricity supply services. Additionally, we have formulated the <i>Administrative Measures for the Reporting of Complaints about Power Supply Services (Trial)</i> and the <i>Special Reporting System for Complaints and Reports</i>, to further standardise the process for handling complaints and reports.</p>
<b>Policy change</b>	<p>Failure to respond promptly to updates or implementations of laws and regulations may lead to compliance risks, economic losses, or even pressure for business transformation. Given that the Group's high-energy-consuming users have already self-built waste heat power generation, the impact of policies on the sales side is minimal, while on the power generation side, it presents broader opportunities for the Group.</p>	<p>We deeply adhere to the corporate mission of Sichuan Energy Development Group Co., Ltd., "Empowering Green and Low Carbon Enterprise with Technology" seizing the development opportunities of "Electric Sichuan" and "Electric Yibin". Sichuan Energy Investment Development vigorously expanded businesses such as smart comprehensive energy stations, charging and swapping stations, distributed photovoltaic power generation, energy services for industrial parks, and urban distributed comprehensive energy. These efforts have laid a solid foundation for comprehensively deploying green energy, effectively promoting the coordinated development of "source-grid-load-storage" in all aspects, actively participating in building a new type of power system, and helping solidify the foundation for achieving the "dual-carbon" goals of the PRC.</p>



## 5. SUSTAINABLE DEVELOPMENT MANAGEMENT

### 5.3 ESG TARGETS

The Group has long adhered to a responsible operational philosophy, is committed to balancing environmental, social, and economic benefits. We have formulated the “overall goal of green enterprise construction” to advance and implement ESG initiatives. By fully integrating sustainability elements into all facets of operations and business decision-making, we ensure our operational models remain closely aligned with ESG principles. This year, the Group has established corresponding environmental targets, indicators, and action plans covering the areas of waste reduction, energy efficiency, water efficiency, and environmental awareness, and is progressively advancing the relevant measures in accordance with these action plans on an annual basis.

In order to ensure the stable achievement of ESG goals and strategies, the Board of Directors authorises the ESG Working Group to review the progress every year, and formulates the following strategies for environmental-related indicators:

#### **Emission Reduction Strategy**

To effectively reduce the energy consumption of vehicles and the emission of pollutants such as carbon dioxide, we advocate for energy conservation and emission reduction in the use and management of office vehicles. We also encourage staff to use public transportation for green commuting. We ensure that we maximise the efficiency of each use of our vehicles through rational car usage planning and standardised car usage application procedures.

For further details on the relevant targets and management measures, please refer to the sections on “Respond to Climate Change” and “Energy Conservation and Emission Reduction”.



## 5. SUSTAINABLE DEVELOPMENT MANAGEMENT

### Waste Reduction Strategy

The Group has set source reduction targets for the generation of general waste, office waste, and hazardous waste, and is committed to improving the recovery rate of various waste types over the long term, thereby implementing a green waste reduction culture in both office operations and business activities.

Waste Reduction Category				
Environmental Target	Indicator	Action Plan and Completion Timeline		Action Measures in 2025
Source reduction	Reduce general waste	Long-term action plan	Reduce the use of disposable items.	Promoted the use of reusable cups and tableware in meeting rooms, canteens, and other areas.
			Purchase appropriate quantities of food to minimise food waste and takeaway waste.	Implemented a “take as needed” meal system in the staff canteen and optimised the procurement of ingredients through statistical analysis.
	Promote green office practices to reduce paper usage	Long-term action plan	Promote paperless office practices and use electronic documents instead of paper.	Utilised the OA system for document circulation and approval, and refrained from printing paper documents unless necessary.
			Implement double-sided printing.	Distributed internal notices and learning materials primarily through work groups and email. Set the default printing mode to double-sided for all office printers, and affixed “please print double-sided” reminder signs next to the equipment.
	Reduce hazardous waste generation	Long-term action plan	Select high-quality circuit breakers and equipment with low leakage rates to reduce sulphur hexafluoride emissions and enhance sealing management.	Ensured the circuit breakers selected for the Company’s power stations complied with national and industrial standards. No sulphur hexafluoride leakage was detected during the Reporting Period. All sulphur hexafluoride gas replaced during maintenance was transferred to licensed contractors for professional disposal.

## 5. SUSTAINABLE DEVELOPMENT MANAGEMENT

Waste Reduction Category				
Environmental Target	Indicator	Action Plan and Completion Timeline		Action Measures in 2025
Source reduction	Strengthen equipment maintenance and servicing	Long-term action plan	Enhance equipment maintenance and carry out equipment life extension work.	Completed pre-service testing and maintenance for 2 × 220 kV substations, 28 × 110 kV substations, 52 × 35 kV substations, 4 power stations, and 1 × 10 kV switching station. A total of 626 equipment defects (all general defects) were identified and rectified, achieving a 100% defect elimination rate. Concurrently, completed maintenance for 3 × 220 kV lines, 32 × 110 kV lines, and 41 × 35 kV transmission lines; inspected 7,962 grounding points; addressed 1,123 instances of vegetation encroachment; rectified 639 line defects and 330 instances of substandard grounding.
			Improve waste sorting and recycling signage and facilities in plant and office areas.	
Increase waste recovery rate	Improve the recycling and reuse rate of various waste types	Long-term action plan	Arrange for qualified recyclers to collect various types of waste.	Waste generated by the Company and its power stations mainly consists of office paper. Such waste is regularly delivered to licensed contractors for scheduled destruction annually.

## 5. SUSTAINABLE DEVELOPMENT MANAGEMENT

### Energy Efficiency Strategy

In order to actively respond to the national energy-saving strategies and policies, the Group has set medium- and long-term targets for energy conservation to further reduce energy consumption.

Energy Use Efficiency Category				
Environmental Target	Indicator	Action Plan and Completion Timeline		Action Measures in 2025
Reduce energy waste	Reduce transmission and distribution losses	Medium-term action plan	Gradually replace high-loss transformers with more energy-efficient ones to reduce technical line losses in the distribution network.	Replaced 539 distribution transformers through the "Yibin City 2025 Distribution Network Equipment Renewal and Upgrade Project".
			Optimise operating voltage and line loss control to minimise waste during power transmission.	Maintained the main grid voltage within the acceptable range by adjusting operating modes, switching reactive power compensation devices in and out, and regulating generating unit output. For the distribution network, we optimised the network structure by upgrading lines and reducing the power supply radius. Throughout the year, 213.086 km of 10kV lines and 511.463 km of 0.4kV lines were upgraded.
	Reduce office energy consumption	Long-term action plan	Identify high-energy-consumption equipment and gradually replace it with energy-efficient models.	Conducted a comprehensive inspection of office lighting and replaced standard fixtures with LED lights, completing the renovation for public areas of the main office building.
			Utilise/procure energy-efficient equipment (e.g., LED lighting, energy-saving refrigerators).	Prioritised energy efficiency ratings as a key evaluation criterion when procuring new office appliances (such as air conditioners and computers), with priority given to Grade 1 energy efficiency products.
			Turn off electrical equipment promptly when not in use.	Reduced phenomena such as "lights left on" and air conditioning running in unoccupied rooms through publicity and education, posting "conserve electricity" reminders, and conducting after-hours inspections.

## 5. SUSTAINABLE DEVELOPMENT MANAGEMENT

Energy Use Efficiency Category				
Environmental Target	Indicator	Action Plan and Completion Timeline		Action Measures in 2025
Improve energy use efficiency	Implement energy-saving technological upgrades at production facilities	Long-term action plan	Reduce auxiliary power consumption rate.	Transitioned substations to centralised control management, achieving unmanned on-site operations, with station service power optimised to meet basic equipment requirements. Furthermore, we constructed a remote centralised control centre for the hydropower stations, enabling minimally attended operations at the Yangliutan and Yuejiang power stations, with plans in place to progressively upgrade the remaining stations.
			Enhance photovoltaic conversion efficiency by strengthening the management of photovoltaic modules in self-owned photovoltaic projects.	Carried out routine operations and maintenance for photovoltaic systems, including cleaning panels and clearing obstructions, to maximise solar conversion efficiency.
	Conduct energy management	Long-term action plan	Perform routine operation and maintenance of photovoltaic electrical equipment.	Performed routine operation and maintenance of photovoltaic electrical equipment.
Accelerate renewable energy development and utilisation	Increase investment in the renewable energy sector	Long-term action plan	Promote rooftop distributed photovoltaics in industrial parks and zero-carbon energy application demonstrations.	Invested in and constructed rooftop distributed photovoltaic projects at the Chengdu-Chongqing Industrial Synergy Park (Buildings 3#-4#), Bamboo Industry Park (Buildings 16#-17#), and Comprehensive Industrial Park (Buildings 1#-4#) in Xingwen County, with a total installed capacity of approximately 2.76 MWp.
	Expand green energy business collaborations	Long-term action plan	Actively engage in the development and collaboration of Verified Carbon Standard (VCS) projects.	Executed the trading of 60 tonnes of VCS carbon credits.



## 5. SUSTAINABLE DEVELOPMENT MANAGEMENT

### Water Efficiency Strategy

The Company actively engages in environmental protection initiatives, dedicating efforts to research and conservation projects for ecological diversity. We promote resource restoration and environmental improvement in our region with developing distinct projects such as water quality protection and fish restocking.

Water Use Category				
Environmental Target	Indicator	Action Plan and Completion Timeline		Action Measures in 2025
Enhance water conservation in daily operations	Reduce average water consumption	Short-term action plan	Install water-saving taps.	Progressively replaced conventional taps with water-saving models, posted water conservation signs, and displayed reminder notices. We published maintenance contact numbers and enhanced routine inspection and patrol of water supply facilities. Special focus was placed on pipe networks and embedded pipelines, ensuring any identified issues were repaired promptly.
Increase investment in water-saving equipment	Regularly inspect and maintain water pipes and supply systems	Long-term action plan	Conduct regular inspections and maintenance of water supply equipment and facilities at stations/projects.	Maintained unmanned operations at substations, where water usage was strictly limited to fire protection piping systems.
			Perform regular patrols and maintenance of the water supply system to prevent leaks and drips.	

## 5. SUSTAINABLE DEVELOPMENT MANAGEMENT

Water Use Category				
Environmental Target	Indicator	Action Plan and Completion Timeline		Action Measures in 2025
Strengthen watershed ecology and aquatic environment protection	Protect aquatic ecosystems	Long-term action plan	Strictly implement fishing ban periods and ecological protection systems, and comply with requirements for ecological flow release and fishery resource management.	Formulated comprehensive ecological flow discharge plans during the site selection and construction of our hydropower stations and dams, based on downstream ecological water demands — including aquatic ecology, water environments, and landscapes — and utilising hydraulic and hydrological methodologies in accordance with technical specifications and relevant guidelines. Additionally, we established ecological flow discharge facilities and safeguard measures for both the impoundment and operational phases. During the spawning seasons in habitats of national and local key protected, rare, endangered, or endemic aquatic species, the downstream ecological flow was further increased when deemed necessary through scientific demonstration; conversely, when the natural inflow fell below the stipulated minimum ecological flow, the station's discharge was adjusted to match the actual natural inflow at the dam site. We strictly executed ecological dispatch operations in alignment with the reservoir's dispatch and operation schemes, prioritising dedicated ecological flow discharge facilities that were designed, constructed, and operated synchronously with the main engineering projects to ensure safety, reliability, and operational flexibility.



## 5. SUSTAINABLE DEVELOPMENT MANAGEMENT

Water Use Category				
Environmental Target	Indicator	Action Plan and Completion Timeline		Action Measures in 2025
			Establish warning signs prohibiting fishing, netting, and other activities around hydropower stations and reservoir areas, and assign personnel for patrols to prevent illegal fishing.	Erected warning signs prohibiting fishing, netting, and other activities around its hydropower stations and reservoir areas. Personnel are assigned for patrols to promptly discourage any fishing activities observed.
			Carry out fish stocking and aquatic ecological monitoring.	Organised annual fish stock enhancement and release activities to support local biodiversity. In 2025, the Yangliutan Hydropower Station released 120,000 fish fry, including species such as the Longsnout catfish, Rock carp, and White-scaled carp.
	Investment in water body cleanliness	Long-term action plan	Allocate dedicated funds for river channel clean-up and establish a regular mechanism for garbage collection and safe transport.	Conducted regular river surface cleaning and debris salvage operations annually. In 2025, a total of 162 tonnes of riverine waste was successfully collected and removed.

## 5. SUSTAINABLE DEVELOPMENT MANAGEMENT

### Environmental Awareness Strategy

The Group actively encourages employees to adopt environmentally friendly practices in daily operations, continuously raising their awareness of environmental protection and conservation.

Environmental Awareness Category				
Environmental Target	Indicator	Action Plan and Completion Timeline		Action Measures in 2025
Enhance employee awareness of environmental protection and conservation	Provide environmental training for employees	Long-term action plan	Integrate environmental training into routine training programmes.	Organised “Energy Conservation Awareness Week and Low-Carbon Campaign” in June each year to enhance employees’ awareness of resource scarcity and conservation, promote green and environmentally friendly development, and advance ecological and environmental protection. Additionally, during the summer peak period, we advocated for electricity conservation and load shifting to the public.
			Develop an environmental training/promotion plan to organise regular energy conservation and environmental protection activities.	Organised “Energy Conservation Awareness Week and Low-Carbon Campaign” in June each year to enhance employees’ awareness of resource scarcity and conservation, promote green and environmentally friendly development, and advance ecological and environmental protection. Additionally, during the summer peak period, we advocated for electricity conservation and load shifting to the public.
	Set up environmental bulletin boards	Long-term action plan	Place environmental signs and promotional slogans on public facilities and equipment.	Continuously strengthened the management of office expenses and supplies, regulating the allocation, procurement, and use of office items. Strict standards are enforced for office equipment, with preference given to environmentally friendly, high-quality, affordable, and low-energy-consumption options.



## 5. SUSTAINABLE DEVELOPMENT MANAGEMENT

### 5.4 STAKEHOLDER ENGAGEMENT

Effective communication with stakeholders is a critical component of ESG management. Our key stakeholders include government and regulatory bodies, investors, employees, clients, suppliers, and communities. Through diversified communication channels and methods, we proactively engage in dialogue and exchange with stakeholders to gain in-depth insights into their needs and expectations. This enables us to provide tailored responses, ensuring transparency and inclusivity in ESG management.

Stakeholders	Key concerns	Communication methods	Key actions in 2025
<b>Governments and regulatory authorities</b>	<ul style="list-style-type: none"> <li>• State-owned assets preservation and appreciation</li> <li>• Fulfil social responsibility</li> <li>• Enhance business environment</li> <li>• Boost economic development</li> <li>• Safe and reliable power supply</li> <li>• Environmental protection measures in place</li> <li>• Legal taxation</li> <li>• Operate per the law and regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Participate in related policy discussions and compile a special investigation report</li> <li>• Conduct seminars</li> <li>• Compliance disclosure</li> </ul>	<ul style="list-style-type: none"> <li>• Implement national policies</li> <li>• Comply with national laws and regulations</li> <li>• Enhance business environment</li> <li>• Accept regulatory compliance</li> <li>• Fulfil social responsibility</li> </ul>
<b>Investors</b>	<ul style="list-style-type: none"> <li>• Financial performance</li> <li>• Corporate governance</li> <li>• Return on investment</li> <li>• Information transparency</li> <li>• Protection of shareholders' rights and interests and fair treatment of shareholders</li> </ul>	<ul style="list-style-type: none"> <li>• Shareholders meeting and other shareholders meetings</li> <li>• Regular reports, announcements, circulars, and information disclosed on the website of SEHK</li> <li>• Daily communication</li> </ul>	<ul style="list-style-type: none"> <li>• Hold shareholders general meetings and Board of Directors meetings regularly</li> <li>• Disclose in a timely manner</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Salary and benefits</li> <li>• Rights protection</li> <li>• Career development</li> <li>• Safety and health</li> <li>• Corporate culture</li> </ul>	<ul style="list-style-type: none"> <li>• Labour union organisations, employee representatives</li> <li>• Employee opinion surveys, employee discussions, and feedback channels</li> <li>• Daily communication</li> </ul>	<ul style="list-style-type: none"> <li>• Cultivate and establish a corporate culture</li> <li>• Strengthen employees' professional skills training</li> <li>• Provide a comprehensive compensation system</li> <li>• Protect employees' rights and benefits</li> <li>• Guarantee employees' health and safety</li> </ul>

## 5. SUSTAINABLE DEVELOPMENT MANAGEMENT

Stakeholders	Key concerns	Communication methods	Key actions in 2025
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Safe and reliable power supply</li> <li>• Legal prices and regulations</li> <li>• High quality and efficient service</li> <li>• Timely response</li> </ul>	<ul style="list-style-type: none"> <li>• Publish service information</li> <li>• Customer visits</li> <li>• Communication during service</li> <li>• Service hotline and electricity business mobile application</li> <li>• Customer opinion survey and feedback</li> </ul>	<ul style="list-style-type: none"> <li>• Efficient dispatch and reliable power supply</li> <li>• Adjust electricity prices according to policies</li> <li>• Emergency response in case of disaster</li> <li>• Sincere service, customer first</li> <li>• Clarify authority and protect privacy</li> <li>• Innovative services for users</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Jointly comply with business ethics and national laws and regulations</li> <li>• Strictly comply with environmental protection policies and regulate safety management</li> <li>• Keep promises and mutual benefit</li> </ul>	<ul style="list-style-type: none"> <li>• Publish supplier and contractor management regulations</li> <li>• Share management experience and technical standards</li> <li>• Daily business communication</li> <li>• Cooperation Agreement</li> </ul>	<ul style="list-style-type: none"> <li>• Establish an open and transparent project bidding system</li> <li>• Prepare legal and fair contracts</li> <li>• Actively communicate and coordinate with contractors to create a safe and healthy operating environment</li> <li>• Provide equal opportunities for suppliers</li> </ul>
<b>Community</b>	<ul style="list-style-type: none"> <li>• Support regional economic development</li> <li>• Alleviate poverty</li> <li>• Community service</li> <li>• Social responsibility</li> </ul>	<ul style="list-style-type: none"> <li>• Communicate with local governments</li> <li>• Co-construction</li> <li>• Public volunteer activities</li> <li>• Community visits and communication</li> </ul>	<ul style="list-style-type: none"> <li>• Alleviate poverty</li> <li>• Focus on grid power construction</li> <li>• Focus on public welfare</li> <li>• Carry out volunteer activities</li> </ul>



## 5. SUSTAINABLE DEVELOPMENT MANAGEMENT

### 5.5 MATERIALITY ASSESSMENT

Stakeholder engagement is an important tool for evaluating material ESG topics. The Group invited stakeholders to conduct a materiality assessment to ensure that the Report addresses the key topics of concern to the Group. The following illustrates the detailed process of the materiality assessment:

#### **Step 1: Identifying major stakeholders and updating ESG topics**

The Group considered the stakeholders' "degree of impact on the enterprise", "degree of impact by the enterprise", and feasibility factors, etc., and formulated a list of key stakeholders participating in the materiality assessment. At the same time, with reference to the compliance requirements of the ESG Guide, the ESG topics of the previous and the peer benchmarking analysis, we selected and updated 30 ESG topics related to the Group.

#### **Step 2: Inviting key stakeholders to participate in the assessment**

We invited major internal and external stakeholders identified in Step 1 to participate in the materiality online survey. Stakeholders involved include directors, management, employees, shareholders/investors, customers, suppliers and the community. Internal and external stakeholders ranked the ESG topics in ESG aspects by importance from the Group's perspective and their own perspective, respectively.

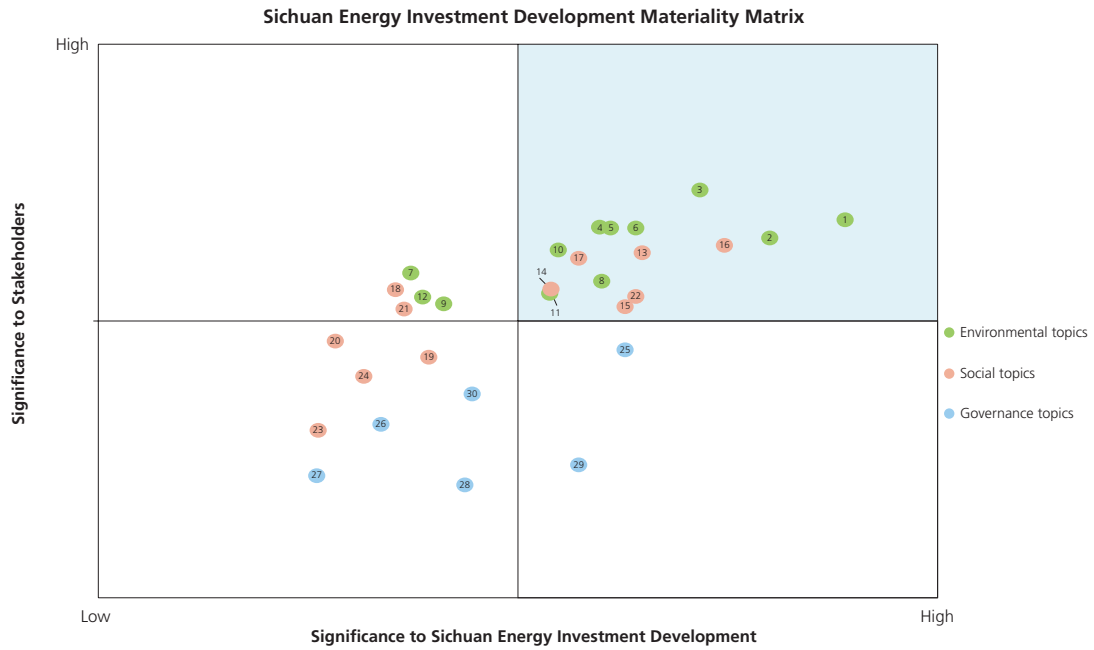
#### **Step 3: Evaluating material topics**

The Group reviewed the importance of ESG topics at each level based on two dimensions, namely "significance to stakeholders" and "significance to Sichuan Energy Investment Development". We consolidated the ranking of all internal and external stakeholders to determine the relative importance of ESG topics in two dimensions. The ESG topics are considered as "material topics" with a relative importance of half or more in both dimensions. We identified a total of 15 material topics in three ESG aspects.

#### **Step 4: Inviting the Board of Directors to determine material topics**

The Board of Directors is invited by email and by written form to confirm the results of the material topics to ensure that the results are in line with the Group's sustainable development strategy. We have made detailed disclosures of material topics in the subsequent sections of the Report to specifically address stakeholders' concerns.

## 5. SUSTAINABLE DEVELOPMENT MANAGEMENT



Environmental topics	Social topics	Governance topics
1. Energy Use and Efficiency	13. Health and Safety	25. Compliance Operations
2. Development of Clean Energy	14. Employment and Employee Benefits	26. Anti-Corruption
3. Prevention and Management of Environmental Accidents	15. Employee Development and Training	27. Diversity among Board Members
4. Addressing Climate Change and Impacts	16. Continuous Power Supply	28. Protection of Shareholders' Interests
5. Potential Impacts of Environmental and Natural Resources on the Company	17. Customer Satisfaction	29. Technological Innovation and Transformational Development
6. Provides Safe and Stable Electricity and Heating Energy	18. Customer Information Security and Privacy Protection	30. Risk Management of Emergency Events
7. Waste and Hazardous Materials Management	19. Labour Standards	
8. Water Resource Use and Efficiency	20. Supplier Management	
9. Greenhouse Gas Emissions and Management	21. Health and Safety of Products/ Services	
10. Environmental Governance and Compliance	22. Response to National Policies	
11. Energy-saving and Environmental Protection Technologies	23. Community Involvement and Contribution	
12. Water and Wastewater Management	24. Product/Service Management (Complaints and Response Methods)	



## 5. SUSTAINABLE DEVELOPMENT MANAGEMENT

Materiality ranking of 2025 material ESG topics (From high to low)
1. Energy Use and Efficiency
3. Prevention and Management of Environmental Accidents
2. Development of Clean Energy
16. Continuous Power Supply
6. Provides Safe and Stable Electricity and Heating Energy
5. Potential Impacts of Environmental and Natural Resources on the Company
4. Addressing Climate Change and Impacts
13. Health and Safety
17. Customer Satisfaction
22. Response to National Policies
10. Environmental Governance and Compliance
8. Water Resource Use and Efficiency
15. Employee Development and Training
14. Employment and Employee Benefits
11. Energy-saving and Environmental Protection Technologies

Based on the results of the above materiality assessment, we will focus on the disclosure of the above matters in the Report to effectively respond to the ESG topics that the stakeholders are concerned about, and at the same time, help us focus on the work of sustainable development.

## 6. ROBUST OPERATION

The Group complies with all applicable laws and regulations, advancing its business operations in an orderly manner in accordance with the law, while continuously optimising corporate governance and the construction of the rule of law, and strengthening internal control and management systems. We remain committed to a customer-centric approach, striving to provide high-quality professional services, actively safeguarding customer rights and interests, and continuously enhancing service quality and customer satisfaction. Concurrently, the Group actively strengthens supply chain management, identifying and managing the environmental and social risks involved, and vigorously promotes a corporate culture of integrity and honesty, driving the Group's sustainable development steadily and pragmatically.

### 6.1 QUALITY GUARANTEE

To ensure and continuously improve the quality of services, the Group strictly complies with the following laws and regulations relating to the health and safety of products and services, advertising, labelling, privacy protection, and customer complaint handling that have a significant impact on the Group's operations during the Reporting Period (including but not limited to):



#### 6.1.1 Safe Power Supply

The Group's core mission is to ensure the safe and stable operation of power grids and maintain a reliable power supply. We are committed to providing customers with safe, stable, and high-quality electricity services and to safeguarding the lives and properties of the public. The electricity supplied by the Group primarily comes from its own hydropower generation facilities and third-party power suppliers, delivered through substation infrastructure and transmission and distribution networks to provide reliable power services to industrial, commercial, household, and other users.

To strictly implement the requirements of laws and regulations, such as the *Electric Power Law of the People's Republic of China* and the *Rules of Power Supply Business*, in relation to power supply safety and power grid management, the Group has formulated internal policies, such as the *Environmental and Safety Targets Management System* and the *Safety Production Management Standards*. These policies further standardise safety production management processes and continuously enhance the quality of power supply services. Additionally, we have proactively promoted technical upgrades to ageing facilities, optimised grid infrastructure, and strengthened equipment inspection and maintenance regimes to ensure optimal operational conditions. These measures have collectively elevated power supply reliability and energy quality standards. During the Reporting Period, the Group did not advertise while focusing on improving the quality of power supply service and providing better services to customers. As power supply services did not involve labelling, no relevant internal policy was formulated.



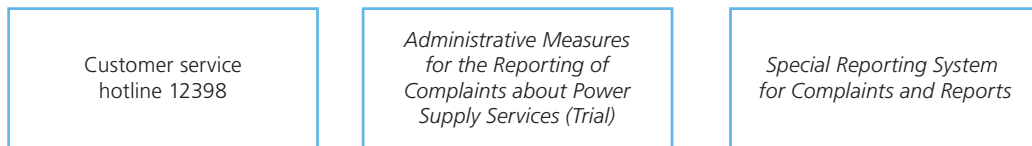
## 6. ROBUST OPERATION

The Group strictly complies with the relevant requirements of the *Rules of Power Supply Business* to conduct power supply quality inspection, ensuring the provision of high-quality power supply services that meet the required standards. The rules clearly set out the specific implementation process and evaluation criteria for power supply quality inspection, covering the permitted deviation of power supply frequency under normal operating conditions of the power system, evaluation indicators for planned maintenance of power supply equipment, etc. For example, during planned maintenance of power supply and utilisation equipment, customers supplied with 35 kV and above experience no more than one power outage per year, while those supplied with 10 kV experience no more than three outages annually, ensuring high-quality power supply services. As the Group’s business primarily involves power generation, transmission, and distribution, the product recall procedures are not applicable to this Report.

### 6.1.2 Customer Service

Customer service remains central to our operations. Guided by a customer-centric philosophy, we prioritise maintaining strong client relationships and ensuring the provision of secure and reliable power supply services. Rather than engaging in advertising, the Group focuses on elevating service quality to deliver exceptional customer experiences. Through policies such as the *Environmental and Safety Targets Management System*, we have further refined our safety and environmental frameworks, standardised safety protocols and environmental conservation efforts, and enhanced service reliability. Concurrently, we rigorously implement information security management standards, fortify cybersecurity measures in accordance with the *Marketing System Access Authority Management Specification and Network Security Management Measures*, and reinforce safeguards against client privacy breaches. By adhering to high standards in data handling and management, we effectively mitigate risks and ensure the security of customer data and privacy.

Effective communication with customers and strong customer satisfaction are key to improving our service quality. To this end, we actively listen to customers’ opinions and suggestions to continuously optimise service processes. Since 2018, we have established a customer service hotline dedicated to handling customer complaints and enquiries regarding power supply services. Additionally, we have formulated the *Administrative Measures for the Reporting of Complaints about Power Supply Services (Trial)* and the *Special Reporting System for Complaints and Reports* to further standardise the complaint and report handling process. These measures explicitly stipulate that the principles of “speedy, flexible and accurate” should be followed when handling complaints and reports, and provide detailed provisions on departmental responsibilities and division of work, the definition and classification of complaints and reports, as well as acceptance and processing procedures. We adhere to the principles of “who initiates, who is responsible”, “who organises, who is responsible”, and “who implements, who is responsible” in the management of complaints and reports. Through the investigation and analysis of complaints and reports, the “Explain Clearly” mechanism, and assessment and reward measures, we effectively prevent and control the occurrence of complaints and reports regarding power supply services, further enhancing service quality and customer satisfaction.



## 6. ROBUST OPERATION

For each customer complaint case, the headquarters classifies and handles them based on the content, nature, and business scope involved. The Operation Management Department, in conjunction with the marketing departments of the relevant subsidiaries, coordinates the process, fills out the complaint acceptance form, and refers the matter to the corresponding functional department for follow-up.

The relevant department will complete the investigation and provide a response to the complainant within five working days. During the Reporting Period, we received 38 customer complaints, all of which were promptly investigated and resolved in strict accordance with the procedures set out in internal policies such as the *Administrative Measures for the Reporting of Complaints about Power Supply Services (Trial)* and the *Notice on Further Standardising Complaint Handling Procedures*.

To gain a deeper understanding of customer satisfaction levels, we maintain communication with customers through various channels, including on-site services, customer visits, safe electricity consumption publicity, and satisfaction surveys. In addition, we invite customers to complete the *Customer Questionnaire Survey*, which rates items such as power supply safety, stability, information communication, payment services, business processing, and issue resolution.

During the Reporting Period, our total score in the annual customer satisfaction survey was 99.99 out of 100.





## 6. ROBUST OPERATION

### 6.1.3 Information Security and Privacy

Protecting customer privacy is a long-term priority for the Group. Given that the Group's operations involve a large amount of personal information of end users and individual customers, we have established a comprehensive network management and information security system to comprehensively prevent the risk of customer privacy leakage and uphold the bottom line of information security. Moving forward, we will continue to strengthen various security control measures, making every effort to provide comprehensive protection for customer privacy.

To further enhance the effectiveness of network security management, the Group has formulated the *Marketing System Access Authority Management Specification and Network Security Management Measures*, which clearly define the management of information system authority, covering core aspects such as management principles, authority application procedures, and the division of departmental responsibilities. These measures implement a tiered authorisation management mechanism for confidential information, strictly limiting access to customer data only to personnel authorised for business purposes, thereby mitigating the potential risk of information leakage at the source.

In addition, the above measures also provide detailed provisions on various aspects of network security management. The Information Security Centre is responsible for the construction and maintenance of the Group's network management and information security systems, regularly monitoring and analysing network security through technical means such as intrusion detection and vulnerability scanning. In the event of network anomalies that may seriously impact business operations, the Information Security Centre will report to the appropriate level in accordance with the incident handling process, ensuring that network equipment remains in a secure operating state, thus safeguarding customer privacy and the Group's information security. We will continue to optimise these security measures to ensure the integrity, confidentiality, and availability of our networks and information, providing more reliable service assurance for our customers.

### 6.1.4 Maintenance and Protection of Intellectual Property Rights

The Group strictly complies with laws and regulations related to intellectual property rights, such as the *Patent Law of the People's Republic of China* and the *Copyright Law of the People's Republic of China*, and has established a comprehensive internal intellectual property protection mechanism based on these laws and regulations. In the course of business cooperation with other enterprises, we strengthen the protection of trade secrets and intellectual property rights through the signing of legal documents such as the *Confidentiality Agreement*, effectively safeguarding the Company's core competitiveness and intellectual property assets.

We place great emphasis on the protection of intellectual property rights. To enforce the use of licensed software and clarify relevant responsible parties, the Group issued the *Notice on Adjusting the Members of the Software Authentication Working Group* and formulated relevant regulations and measures for software legalisation, coordinating the implementation of various initiatives. To ensure the normalisation, standardisation, and institutionalisation of licensed software usage, we concurrently issued the *Administrative Measures for the Authentication of Software*, establishing a sound long-term governance mechanism. Furthermore, aligned with operational requirements, we developed a strategic procurement plan for licensed software, acquiring licensed versions of software such as WPS and CAD to safeguard operational security, enhance information system security, and effectively mitigate infringement risks.

## 6. ROBUST OPERATION

The Group consistently adheres to the principle of driving high-quality corporate development through technology, continuously improving the incentive system for technological innovation, and fully mobilising the enthusiasm of all employees for innovation. During the Reporting Period, the Group formally implemented the *Sichuan Energy Development Group Co., Ltd. Administrative Measures for Rewarding Technological Innovation Achievements (Trial)*, focusing on incentivising teams and individuals who have made outstanding contributions to the Group's technological development and facilitating the realisation of innovation outcomes. Guided by the core principle of "respecting labour, respecting knowledge, respecting talent, and respecting creativity", these reward measures establish corresponding reward standards for different types and levels of technological innovation achievements, and set up a standardised and transparent review process and reward allocation system. This effectively ensures fair and equitable treatment for all award recipients, continuously fostering a positive innovation atmosphere that champions innovation, encourages breakthroughs, and rewards excellence.

During the Reporting Period, we continued to focus on the research and development of innovative technologies. Centring on key areas such as power grid digitalisation, drone applications, and low-carbon smart substations, we efficiently organised and implemented 16 research projects, and filed 14 applications for invention patents and 10 for utility model patents. Meanwhile, the Group successively released group standards such as the *Evaluation Indicators for Digital Governance of Power Grid Operation*, the *Evaluation Specification for Zero-Carbon Smart Substations*, and the *Technical Guidelines for Fine Inspection of Overhead Transmission Line Conductor and Ground Wires Using Unmanned Aerial Vehicles*, providing scientific specifications and professional technical guidance for industry operations and technology applications, further enhancing the Group's technical influence within the industry.

Concurrently, during 2025, the Group successfully obtained a number of invention patents and software copyright registration certificates. These include the invention patent "A Method and System for Detecting Improper Mobile Phone Usage in Production Environments Based on YOLOv12 Optimisation", and software copyrights, including the *Power Equipment Arc Temperature Monitoring Operation Data Management System V1.0*, among other innovative achievements, fully demonstrating the Group's solid progress in the field of technological innovation.



*Evaluation Indicators for Digital Governance of Power Grid Operation*



The invention patent "A Method and System for Detecting Improper Mobile Phone Usage in Production Environments Based on YOLOv12 Optimisation."



The software copyrights "the Power Equipment Arc Temperature Monitoring Operation Data Management System V1.0."



## 6. ROBUST OPERATION

During the Reporting Period, the Group allocated over RMB27 million to scientific research and innovation development, providing sufficient financial support for technological innovation. To further enhance the safety, stability, and reliability of the power supply system, the Group also allocated over RMB350 million in dedicated funds for technical upgrades, driving the implementation of 29 major technical upgrade projects and over 400 general technical upgrade projects, whilst completing the optimisation of more than 590 low-voltage transformer districts. Moving forward, the Group will continue to increase investment in scientific research, focus on industry development challenges, promote the deep integration of innovation outcomes with business operations, and fully unlock the value of innovation.

### 6.2 OPERATIONAL MANAGEMENT

To continuously optimise operational management capabilities, the Group has steadily advanced the construction of a comprehensive business control system across all operational activities, further standardising the full-process business control model and operational workflows, thereby solidifying the foundation for operational management. The Group has implemented lean management of line losses in daily operations, fully adopted the “four-part” line loss management approach, and advanced intelligent monitoring of distribution stations and smart analysis applications for anti-theft inspections. These measures aim to strengthen the control of operational line losses.

Additionally, we are committed to advancing the construction of marketing service centres to improve workforce efficiency and achieve standardised management of regional power grid operations. To foster market-oriented incentive mechanisms, we have optimised performance evaluation methods, rigorously enforced reward-and-penalty systems, and enhanced performance management and task execution capabilities.

#### 6.2.1 Business Transformation and Upgrading

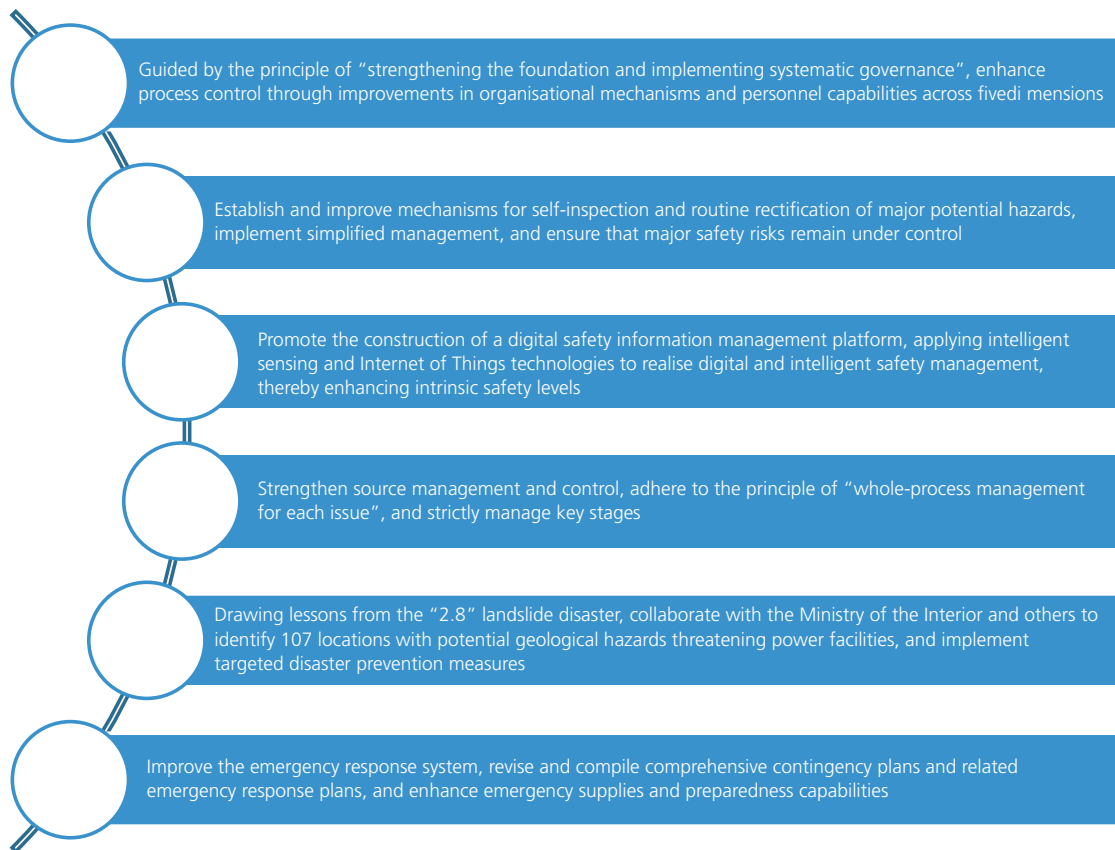
In terms of business layout and transformation and upgrading, the Group focuses on the high-quality development of energy supply, continuously optimising the business structure and strengthening project support. The core initiatives have been advanced and have achieved phased results, as detailed below:

Continuous Upgrading of Power Grid Infrastructure, Significantly Enhancing Power Supply Capacity	Orderly Progress in Clean Utilisation of Traditional Energy	Breakthroughs in Low-Carbon Transition and Technological Innovation
<p>The Group has focused on optimising the power grid structure, improving power supply reliability and intelligence, and has built a multi-level, coordinated regional active distribution network. As of this Reporting Period, the number of grid interconnection lines with the upper-level grid reached 22, with a theoretical off-take capacity of approximately 2.05 million kW, an increase of 1.25 million kW compared to the initial stage of the “14th Five-Year Plan” period, providing strong support for regional energy supply.</p>	<p>The Group has accelerated the construction of the first phase of the Xingwen Gas Power Generation Project, leveraging technological upgrades to promote the clean and efficient utilisation of traditional energy, optimise the energy supply structure, and contribute to the achievement of low-carbon development goals.</p>	<p>The Group has advanced the establishment of a joint venture with the Yibin High-Tech Investment Group Co., Ltd. to form a low-carbon grid investment and operation company, and has carried out preliminary work on green power introduction projects. The national “<i>Artificial Intelligence + New Energy Business Models</i>” innovation project submitted by the Group has been reviewed by the Provincial Energy Bureau and reported to the National Development and Reform Commission, injecting new impetus into the low-carbon transition.</p>

### 6.2.2 Safety in Production

Safety production remains a cornerstone and a top priority of the Group’s stable operations, advancing and being implemented in tandem with the development of all business areas. We have established a robust safety production responsibility system, clearly defining safety duties from top management to frontline employees, alongside a corresponding supervision and control mechanism. The Group has incorporated safety production into its annual work plans, convening regular safety production meetings to thoroughly assess the current safety situation and to promptly formulate solutions and continuous improvement measures for potential risks and prominent issues, thereby upholding the bottom line of safety production. During the Reporting Period, the Group invested over RMB29.33 million in safety hazard remediation, covering expenses for purchasing safety tools and equipment, emergency repairs and maintenance, contingency drills, firefighting facilities, and public awareness campaigns on electrical and forest fire prevention.

To further advance future safety production efforts, the headquarters and subsidiary companies jointly formulated the *Three-Year Action Plan for Root-Cause Improvement in Safety Production (2024–2026)*, advancing each objective in phases. The plan outlines three-year targets: by the end of 2024, the majority of major power safety hazards identified before and during 2023 will be eliminated; by the end of 2025, the emergence of new major power safety hazards will be effectively curbed; and by the end of 2026, a regularised mechanism for dynamically clearing major power safety hazards will be established. In 2025, the Company took this initiative a step further, focusing on its annual targets to strengthen its safety defences. The specific results are as follows:





## 6. ROBUST OPERATION

### 6.2.3 Audit and Internal Controls

To ensure the authenticity and accuracy of disclosed information and to execute the Group's operational management plans, we persistently refine audit management practices. Guided by audit requirements and relevant laws and regulations, the Group's Audit Department has spearheaded the development of internal policies, including the *Internal Audit Management Measures*, the *Economic Responsibility Audit Measures*, the *Internal Audit Measures for Infrastructure Projects (Trial)*, the *Procedures for Transferring Audit Findings to Disciplinary Authorities (Trial)*, and the *Internal Audit Archives Management Measures*. These initiatives aim to establish a robust internal audit system, strengthen risk management, and improve the scientific rigour and accuracy of decision-making.

## 6.3 SUPPLIER MANAGEMENT

The Group adopts an integrated development strategy, integrating supply chain management into all aspects of its production and operations to promote sustainable development. We actively engage in green procurement, building a responsible supply chain system and establishing long-term, stable strategic cooperative relationships with suppliers to achieve the synergistic growth of supply chain partners and the Group. This management approach not only ensures the sustainability of production but also enhances cooperation efficiency and optimises overall business performance. We will continue to adhere to this direction, providing a solid foundation and sustained momentum for the Group's sustainable operations.

The Group's major suppliers include State Grid Sichuan Electric Power Company, Yibin Power Supply Company, Zhaotong Power Supply Bureau of Yunnan Power Grid Co., Ltd., and grid-connected hydropower stations inside and outside the supply area. When selecting power suppliers, we strictly comply with relevant laws and regulations such as the *Electric Power Law of the People's Republic of China*, the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on Appraising Environmental Impacts*, and the *Rules of Power Supply Business*, and comprehensively assess the environmental and social risks associated with our suppliers. In addition to considering evaluation indicators such as power quality and supply price, we rigorously review the potential environmental and social impacts of suppliers, ensuring that their products meet national environmental protection standards, and monitor whether suppliers have any records of ecological damage or violations of laws and regulations during their operations.

During the contract performance period, suppliers must provide products that meet quality standards and environmental protection requirements, and cooperate in carrying out specific environmental inspections as needed. To ensure that suppliers strictly implement their internal environmental protection and management requirements, we regularly review their compliance with social and environmental regulations, rigorously verifying whether there are any records of ecological damage or violations of laws and regulations during their operations, and ensuring that the products and services provided by suppliers comply with relevant national standards. If a supplier fails to properly manage environmental and social risks, or violates relevant regulations or provisions, we will promptly report the matter to the Company's management and impose penalties or require rectification within a specified period. In cases of serious impact, we will require the supplier to suspend work for rectification or terminate the contract. We will continue to strengthen supply chain management to ensure effective control of social and environmental risks, thereby contributing to the achievement of sustainable development goals.

## 6. ROBUST OPERATION

As of the end of the Reporting Period, the Group had a total of 250 power procurement suppliers, and all of them were subject to the above-mentioned procurement management policies. During the year, none of the suppliers presented any environmental or social risks, nor were there any significant negative impacts. The number of the Group's electricity procurement suppliers by major regions where services are provided is as follows (as each subsidiary procures electricity from State Grid Yibin Power Supply Company, the total of the subsidiary figures is greater than the total number of suppliers):

Cuiping District	Xuzhou District	Gao County	Gong County	Junlian County	Xingwen County	Pingshan County
17		25	65	71	60	12

### 6.4 ANTI-CORRUPTION

In order to prevent bribery, extortion, fraud, and money laundering in the enterprise, the Group strictly complied with the following laws and regulations that have a significant impact during the Reporting Period (including but not limited to):



The Group has consistently strengthened its corporate integrity governance framework through the implementation of internal control mechanisms including the *Anti-fraud and Bribery Management Measures*, the *Interim Measures for the Implementation of the Responsibility System for Improving the Party's Style of Work and Upholding Integrity*, the *Evaluation of the Implementation of the Responsibility System for Improving the Party's Style of Work and Upholding Integrity* and the *Opinions on the Implementation of an Integrity Culture*. These frameworks rigorously combat malpractices, including corruption, extortion, fraud, and money laundering. Notably, the *Anti-Fraud and Bribery Management Measures* explicitly define prohibited conduct, mandating strict employee compliance with legal obligations under all circumstances. It prohibits the direct or indirect offering, promising, inducing, or accepting of any form of improper benefit or obtaining commercial advantage, alongside forbidding fraudulent acts, material omissions, or breaches of trust for illicit gain or asset misappropriation. The protocol further delineates departmental responsibilities and supervisory mechanisms for anti-corruption initiatives at the headquarters, thereby enhancing corporate integrity systems and compliance governance efficacy, and safeguarding the Group's legitimate rights and interests. We conduct regular thematic training programmes and compliance briefings to ensure full employee understanding and strict adherence. We will strictly enforce penalties for non-compliance to safeguard business ethics and corporate reputation.

## 6. ROBUST OPERATION

In October 2025, the Group organised 58 management personnel at various levels and their family members to visit the “Qingfeng Tang” (Integrity Hall) for a disciplinary education activity and held a “Family Virtues in Support of Integrity” exchange and discussion session. Through various formats including visits to warning exhibition areas, watching educational videos, presenting integrity-promoting books, and sharing exchanges among family members, the event effectively strengthened the self-discipline and integrity awareness of cadres at all levels and their families, extended integrity building from the enterprise to the family, established a new anti-corruption framework of “enterprise-family joint prevention”, further enhanced the Group’s anti-corruption system, and consolidated the defence against misconduct.



To continuously standardise operational practices, the Group insists on integrating anti-fraud and anti-bribery mechanisms into all aspects of daily management and internal control systems, covering key business areas such as procurement, construction, and investment. Through systematic identification and assessment of fraud and bribery risks, the Group has gradually established and improved prevention and control mechanisms. At the same time, we insist on strengthening compliance training and legal education, coupled with a stringent monitoring and accountability system, to enhance the Group’s overall level of clean governance and create a fair and transparent corporate culture. We adopt a zero-tolerance attitude towards any violation of fraud prevention requirements and take action in accordance with the law to ensure that our business operations are conducted in a lawful and compliant manner and to protect the interests of shareholders and stakeholders.

In April 2025, the Discipline Inspection Commission of Sichuan Energy Investment Development held a five-day professional development training programme on discipline inspection and supervision at Southwest University of Political Science and Law. A total of 51 full-time and part-time discipline inspection and supervision personnel, as well as personnel in key positions, participated in the training. The Secretary of the Discipline Inspection Commission attended the opening ceremony, delivered a mobilisation speech, and set forth clear requirements. The training integrated theoretical instruction, case analysis and practical teaching, covering core content such as party discipline and regulations, as well as duty-related crimes, alongside conducting red education activities. This training effectively enhanced the professional competence and combat skills of the participants, strengthened their awareness of integrity in professional conduct, further standardised the Group’s discipline inspection and supervision processes, and effectively improved the standardisation level of the Group’s discipline inspection and supervision work, as well as the effectiveness of its supervision and enforcement.



## 6. ROBUST OPERATION

Regarding whistleblowing mechanisms, the Group has established the *Whistle-blowing Management System*, the *Administrative Measures for Discipline Inspection and Supervision of Case Files*, and the *Measures for Handling Whistle-blowing Letters and Visits* to standardise reporting channels and case resolution processes. Whistle-blowers can report violations of laws and regulations to the Group via dedicated hotlines, written complaints, in-person visits, email, or direct submission, either anonymously or through real-name disclosures. The Discipline Inspection Office of the headquarters serves as the unified intake authority for all reported cases. Upon receiving complaints, the office initiates case registration and submits documentation to the leader for approval. For reported matters for which the superior requests an investigation result, the department shall handle and report them promptly within the required timeframe, and provide feedback to the whistle-blower after the case is concluded. If the department does not investigate the reported matter, it shall make reasonable explanations to the whistle-blower. The progress of all reported cases is recorded in the *Report Registration Form*. During the Reporting Period, the Group did not receive any litigation cases related to corruption, fraud, or bribery.

### 6.5 OPERATIONAL PERFORMANCE<sup>1</sup>

Performance Indicators		2025
Profitability	Return on Net Assets	7.66%
	Return on Total Assets	4.91%
	Operating Profit Margin	6.63%
	EBITDA Margin	12.91%
	Proportion of Accounts Receivable and Inventories in Current Assets	53.34%
	Proportion of Cost and Expenses in Operating Revenue	92.61%
Asset Quality	Total Asset Turnover Ratio	66.24%
	Accounts Receivable Turnover Ratio	4.91 times
	Current Asset Turnover Ratio	2.78 times
	Asset Cash Recovery Rate	0.08%
Debt Risk	Asset-Liability Ratio	49.87%
	Interest Coverage Ratio	15.53 times
	Quick Ratio	64.76%
	Cash Flow to Current Liabilities Ratio	27.88%
Business Growth	Operating Revenue Growth Rate	4.03%
	Operating Profit Growth Rate	-28.46%
	Capital Accumulation Rate	3.91%
	Cash Dividend (yuan/per share)	0.12

<sup>1</sup> The calculation methods of all the following operational performance indicators refer to the "Sustainable Development (ESG) Disclosure Indicators and Evaluation System for Listed Companies in the Energy Sector".

## 7. GREEN PRACTICES

The Group actively fulfils its environmental protection responsibilities, systematically promoting energy conservation, emission reduction, and green transformation, and is committed to achieving a dynamic balance between corporate growth and ecological conservation. We not only continuously improve our environmental management system at the Group level, earnestly fulfilling our corporate environmental responsibilities and our mission as a responsible enterprise, but also leverage our corporate resources and platform influence as a foundation to proactively address the increasingly frequent challenges of climate change, actively deploying relevant response measures to support the sustainable development of the ecological environment.

### 7.1 GREEN INNOVATION AND PRACTICE HONOURS



In June 2025, the group standard *Evaluation Specification for Zero-Carbon Smart Substations (T/SCCE 5—2025)*, led by Sichuan Energy Investment Development and jointly compiled with multiple entities in the energy industry, was officially released in Chengdu. This group standard integrates the dual core attributes of “zero-carbon” and “smart”, constructing a comprehensive evaluation indicator system for zero-carbon smart substations across seven dimensions, including energy utilisation and carbon emissions, intelligence and digitalisation level, technological innovation and research and development, safety and reliability. It also clearly defines the evaluation model and procedures, successfully filling the domestic gap in the dual evaluation standard for “carbon emission monitoring + AI operations and maintenance”.

In October 2025, the China Energy Research Society and Beijing Wanjia Green Credit Rating Co., Ltd. jointly released the *2025 China Energy Listed Companies Sustainability (ESG) Evaluation Report*. Sichuan Energy Investment Development ranked 28th among 632 energy sector listed companies on the Shanghai, Shenzhen, Beijing, and Hong Kong stock exchanges, a significant leap of 97 places compared to 2024, demonstrating outstanding performance.

The Group insists on deeply integrating the concept of sustainable development into its operational processes and business decisions, continuously improving its internal control and risk management systems, and striving to build Sichuan Province’s first carbon-neutral substation, as well as Yibin City’s first “zero-carbon smart microgrid” featuring direct connection and end-to-end traceability. The Company’s capabilities in green development, environmental protection, and risk management have steadily improved, continuously injecting stable and reliable “green momentum” into promoting local economic and social development and ensuring the production and living needs of the public.



## 7. GREEN PRACTICES

The above honours not only demonstrate the outstanding brand influence of Sichuan Energy Investment Development, but also fully affirm the efforts and achievements made by the Group in advancing green and low-carbon initiatives, technological innovation, and high-quality development. Sichuan Energy Investment Development faithfully implements the corporate purpose of “Green, Low-Carbon, Technology Empowerment” of Sichuan Energy Development Group Co., Ltd., continuing to deepen its efforts in the fields of low-carbon development and green practice, proactively engaging, continuously increasing investment and contribution, and striving to build a “green business card” for high-quality corporate development, establishing a model for green development in the industry.

### 7.2 ENVIRONMENTAL PROTECTION MANAGEMENT

The Group upholds the concept of sustainable development, proactively addressing the challenges posed by climate change, with the core objective of minimising the impact of its operational activities on the ecological environment and the consumption of natural resources. In order to comply with relevant national environmental protection laws and regulations, we have established and continuously refined our environmental management policy framework, systematically regulating areas such as resource use, emissions monitoring, target setting, environmental risk identification and management, environmental investment, supervisory audits, and performance evaluation, thereby comprehensively enhancing our environmental governance standards. During the year, our investment in environmental protection and production safety accounted for 0.59%, fulfilling our environmental responsibilities through concrete actions.

During the Reporting Period, in order to implement green operations and promote energy conservation and emissions reduction, the Group has strictly complied with the following laws and regulations that have a significant impact 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 Appraising Environmental Impacts</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>	<i>Environmental Protection Law of the People's Republic of China</i>



## 7. GREEN PRACTICES

In accordance with the above laws and regulations, the Group has continued to implement the following internal environmental protection management policies during the Reporting Period (including but not limited to):



### 7.3 ENERGY CONSERVATION AND EMISSIONS REDUCTION

#### 7.3.1 Resources Conservation

During the daily operations and production processes of the Group, the main energy resources consumed include water intake for power generation, electricity resources used in power transmission and distribution, and fuel required for official vehicles. To further conserve natural resources related to the power business, and continuously improve the efficiency of water, electricity, and fuel use, the Group has established clear environmental targets and corresponding implementation strategies focusing on core areas such as “energy use efficiency”, “water use efficiency”, and “enhancement of environmental awareness”. For details, please refer to the “Sustainable Development Management” section of this Report.

Concurrently, the Group’s ESG Management Committee, ESG Working Group, and relevant business departments have been working in close coordination with clearly defined roles to implement more refined management of the Group’s resource use. They actively promote the implementation of resource conservation measures across business operations and daily office activities. Specific implementation measures are as follows:

#### **Reducing Electricity Consumption**

- Choose energy-efficient transformers
- Renovate old low-voltage distribution lines to reduce the electricity loss
- Adjust the voltage of the grid operation system appropriately to improve electricity distribution efficiency
- Strictly comply with relevant regulations and vigorously promote energy conservation awareness
- Continuously strengthen the management of lighting, air conditioning and office equipment electricity usage
- Strictly enforce the air conditioning temperature setting standards (no lower than 26°C in summer, and no higher than 20°C in winter)
- Implement the “power off when leaving” policy for office equipment



## 7. GREEN PRACTICES

To further strengthen electricity conservation, the Group has adopted a multi-pronged approach encompassing equipment upgrades, line optimisation, system regulation and enhanced management. By optimising the configuration of power equipment, improving distribution efficiency, standardising office electricity usage, and reinforcing the energy conservation awareness of all employees, we are comprehensively reducing power consumption. This enables the dual achievement of maximising electricity efficiency and enhancing energy savings.

### Water Conservation

- Operate hydropower stations in strict accordance with the approval of the production water intake plan
- Strictly abide by the requirements of the domestic water intake permit in the office area, ensuring that water consumption did not exceed the planned amount during the Reporting Period
- Strengthen water management in canteens
- Enhance the maintenance and repair of water facilities and post water-saving signs
- Strengthen water conservation publicity to further improve the water-saving awareness and practices of all employees
- Gradually phase out non-water-efficient fixtures and replace them with high-efficiency water-saving equipment such as sensor-activated taps and water-efficient flush valves

One of the Group's main businesses is hydropower generation, which falls under the category of clean energy generation. Its water intake for power generation is primarily sourced from natural water bodies in the Nanguang River basin, the Hengjiang River basin, and the Xining River basin. In addition to implementing the above water conservation measures, we harness the potential energy created by the drop in water levels to drive turbines for electricity generation. The natural water used in the generation process is discharged downstream, with the entire process causing virtually no pollution to the water resources of the downstream river basins.

Furthermore, the Group's office and domestic water supply are mainly dependent on municipal water networks and tap water suppliers. As of the end of the Reporting Period, no difficulties in water intake have been encountered by our power generation enterprises, nor in office and domestic water usage.

### Reducing Fuel Consumption

- Strengthen the registration and management of fuel consumption for official vehicles, establish a fuel consumption ledger, and enhance fuel consumption analysis
- Strictly regulate vehicle use by implementing centralised management and unified dispatch
- Conduct regular vehicle maintenance and servicing
- Strictly restrict the purchase of high-energy-consumption vehicle models
- Prioritise the procurement of new energy vehicles or models that comply with the latest energy conservation and environmental protection standards
- Strengthen publicity and education on fuel conservation, regularly organise lectures on vehicle fuel economy, and further enhance employees' awareness of resource conservation and their commitment to fuel efficiency



## 7. GREEN PRACTICES

In terms of reducing vehicle fuel consumption, the Group has implemented the *Vehicle Management Measures (2024 Edition)*, which clearly define the standards for vehicle usage across the Group, effectively reducing unnecessary travel and lowering fuel consumption. The policy provides a clear definition of official vehicles, requiring employees to complete a “*Vehicle Usage Application Form*” before using a Group vehicle as the basis for dispatch approval.

Additionally, we have established stringent rules for vehicle fuel management. Headquarters vehicles are required to use fuel cards for refuelling, adhering to the principle of “*one vehicle, one card*”, with each refuelling event recorded in the driving log. This approach aims to enhance the precision of fuel consumption management, facilitating subsequent integration into the fuel consumption ledger and supporting annual fuel consumption analysis. Moving forward, we will continue to monitor and optimise these management measures to further reduce operational costs and environmental impact.

### 7.3.2 Ecological Resource Protection

As an enterprise with hydropower generation as its core business, the Group fully recognises the potential impact of its operational activities on the surrounding environment and natural resources, with particular attention to the potential effects on the biodiversity of fish upstream and downstream of river courses during the water intake process at power stations. To effectively manage and minimise such impacts, we have developed a scientifically sound *ecological flow release scheme* based on the ecological requirements of the downstream river channel at the dam site — including water environment, aquatic ecology, and landscape considerations — in strict compliance with technical specifications for ecological flow design and relevant guidelines, integrating professional technical methodologies such as hydrology and hydraulics.

At the same time, taking into account the distinct characteristics of the operational and water impoundment phases of the dam, we have established corresponding ecological flow release facilities and safeguard mechanisms to ensure the stability and rationality of ecological flow releases. Furthermore, for river sections located within national and local key protected areas, rare and endangered species habitats, or development zones, we proactively implement multiple ecological conservation measures, adopting a multi-pronged approach to reduce the negative impact of business operations on aquatic species and contribute to biodiversity protection.

In practice, the Group strictly adheres to reservoir dispatch operation plans, conducting ecological dispatch with reference to the minimum ecological flow release of the power station. When natural inflow falls below the stipulated minimum ecological flow, the ecological flow released by the power station is dynamically adjusted according to the actual natural inflow at the dam site, ensuring compliance with ecological protection requirements. To ensure the effectiveness of ecological flow releases, we prioritise the use of dedicated release facilities and strictly ensure that such facilities are designed, constructed, and operated concurrently with the main project, comprehensively guaranteeing the safety, stability, and flexibility of the facilities. Moving forward, we will continue to assess the ecological needs of the river course and further increase the ecological flow release as circumstances require, continuously optimising the effectiveness of ecological protection.

## 7. GREEN PRACTICES

To further enhance the environmental awareness of all employees and residents in surrounding communities, and to build a consensus on green development, the Group regularly organises a variety of themed environmental activities, including fish proliferation and release, front pond slag salvage, waste clearance in surrounding areas, tree planting and greening, and other environmental initiatives. We actively participate in environmental protection advocacy, carrying out biodiversity protection and water quality conservation efforts, implementing *fishing ban periods*, establishing *warning signs*, and arranging *dedicated patrols*. Concurrently, the Company allocates dedicated funds annually for the removal of river channel debris, comprehensively ensuring the stability of the river ecological environment within its jurisdiction and effectively promoting the continuous improvement of regional ecological quality.

To deeply implement the principles of ecological civilisation and continuously consolidate the ecological barrier of the Hengjiang River Basin, Sichuan Energy Yangliutan Power Generation carried out an ecological fish proliferation and release activity in the forebay of the Yangliutan Hydropower Station reservoir area in October 2025. A total of 120,000 fish fry were released during this event, including species such as *Leiocassis longirostris*, *Procypris rabaudi*, and *Onychostoma simum*, contributing to the enrichment of aquatic biodiversity and the restoration and optimisation of the aquatic ecosystem in the Hengjiang River Basin.



Since its commissioning, Yangliutan Hydropower Station has conducted artificial proliferation and release activities for 14 consecutive years, with a cumulative total of over 1.5 million fish fry released. Moving forward, the Group will continue to coordinate with its subsidiaries to implement aquatic biodiversity compensation measures, strengthen collaboration with local government authorities, and foster a favourable atmosphere for the collective protection of aquatic ecosystems by society.



## 7. GREEN PRACTICES

### 7.3.3 Emission Management

The main sources of emissions generated by the Group in daily operations include exhaust emissions from office vehicles, indirect greenhouse gas emissions caused by electricity consumption and losses, office and domestic sewage, domestic waste, and a small amount of oily waste generated during maintenance operations. To effectively reduce the environmental impact of various emissions, the headquarters and its subsidiaries have formulated corresponding energy conservation and emission reduction policies based on their operating locations and business characteristics.

For example, the Group has issued the *Environmental Protection Management System*, which sets out core requirements such as environmental protection for construction projects, environmental protection during the production process, supervision and management, and assessment, rewards and penalties, thereby promoting the implementation of various energy conservation and emission reduction measures. The Group has also drafted the *Greenhouse Gas Management Regulations*, which clearly define the organisational structure for greenhouse gas management, scope of responsibilities, and statistical accounting methods, gradually refining the emissions management system and steadily advancing the Group's low-carbon transition.

### Hazardous Waste Management

Sulphur hexafluoride is the primary hazardous waste generated during the Group's production and operations. This gas is chemically stable and is mainly used as an insulating and arc-extinguishing medium in circuit breakers. The circuit breakers selected by the Group are all high-quality products, and their use, storage and maintenance are strictly managed in accordance with hazardous chemical management requirements. They are only decommissioned when they reach the end of their designed service life. Consequently, the amount of sulphur hexafluoride waste generated annually is extremely small. After decommissioning, we engage qualified hazardous waste disposal units to carry out professional disposal. To date, the Group has not experienced any sulphur hexafluoride leakage incidents.



At the same time, a small amount of waste oil generated from the maintenance of some equipment is also classified as hazardous waste. To ensure its safe and compliant disposal, the Group has entered into agreements with professionally qualified entities, entrusting them with the unified collection and compliant treatment of such waste to minimise the impact on the ecological environment.

### Non-Hazardous Waste and Wastewater Management

All domestic sewage from business locations in urban areas is discharged into the municipal sewage network, ensuring proper treatment. Office and domestic waste is handed over to the municipal authorities for unified disposal, effectively fulfilling environmental management responsibilities and upholding the baseline of environmental protection.

Furthermore, the Group deeply integrates environmental concepts into all aspects of its daily operations. Measures such as posting energy-saving slogans, encouraging employees to turn off unused electrical equipment, promoting remote working models, and standardising the allocation and procurement review of office supplies help reduce resource waste at a granular level, embodying the principle of green operations.

In building a low-carbon enterprise, the Group relies on the existing research and development equipment and professional expertise of its Technology Centre to establish a comprehensive low-carbon technology support system, focusing on cultivating technical experts and enhancing clean production capabilities. In line with the Group's development direction, and based on product life cycle analysis and environmental label requirements, we are actively developing new products that are low-carbon, low-energy-consuming, and recyclable, striving to pave the way for the corporate high-quality, low-carbon development path.

### 7.4 RESPOND TO CLIMATE CHANGE

In response to the increasingly frequent and severe extreme weather events triggered by global climate change, governments around the world are continuously strengthening climate regulatory policies and driving related technological innovation. To implement the national directives on achieving carbon peaking by 2030 and carbon neutrality by 2060, the Group steadfastly advances its clean energy development strategy, proactively seizes development opportunities in the wind power and photovoltaic industries, and actively participates in industry exchanges and collaboration. Meanwhile, referencing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the International Sustainability Standards Board (ISSB), the Group deeply integrates climate considerations into all aspects of its operations across the four core pillars of "Governance", "Strategy", "Risk Management", and "Metrics and Targets", achieving full life-cycle climate risk management from strategic decision-making to daily operations.



## 7. GREEN PRACTICES

### 7.4.1 Governance

The Group has established a tiered climate governance structure comprising decision-making, management, and execution levels: the Board of Directors serves as the decision-making level, responsible for overseeing and reviewing climate change-related strategies, risks, and targets; the ESG Management Committee acts as the management level, coordinating climate risk management and the implementation of related policies; and the ESG Working Group functions as the execution level, specifically driving and executing climate change-related management measures and action plans to ensure effective implementation. For further details, please refer to the “ESG Governance Structure” section of this Report.

Level	Responsible Parties	Core Responsibilities
Decision-making Level	Board of Directors	Oversees and reviews climate change-related strategies, risks, and targets.
Management Level	ESG Management Committee	Coordinates climate risk management and the implementation of related policies.
Execution Level	ESG Working Group	Specifically drives and executes climate change-related management measures and action plans to ensure effective implementation.

To further standardise the Group’s ESG and climate-related risk and opportunity governance work, the Group formally implemented the *Terms of Reference for the Environmental, Social and Governance (ESG) Management Committee*, which had been approved by the Board of Directors in April 2026, further clarifying management requirements and the division of responsibilities for climate-related work. This newly established framework aligns with the Group’s existing documents such as the *Environmental Protection Management System* and the *Environmental Protection and Safety Incident Hazard Investigation and Management System*, providing a comprehensive institutional foundation for the management of climate-related risks and opportunities.

### 7.4.2 Strategy

At the strategic level, the Group systematically integrates climate-related risks and opportunities into its overall development strategy and operational decision-making. Aligning with the national “Dual Carbon” goals and development trends in the clean energy industry, we comprehensively plan our business layout, investment direction, and operational management. Meanwhile, utilising different climate scenarios, we further identify and analyse the potential impacts of relevant risks and opportunities on the Group’s operations and conduct qualitative financial impact analysis. This is aimed at enhancing our ability to respond to climate change and fully supporting the Group’s long-term sustainable development.

## 7. GREEN PRACTICES

### Identification, Assessment, and Management of Climate Risks and Opportunities

This year, the Group carried out the identification and assessment of climate-related risks and opportunities for the first time, implementing key controls over the material climate risks and opportunities identified. Heads of departments responsible for climate-related risks and opportunities were invited to assess climate-related risks based on the two dimensions of “impact of risk” and “likelihood of risk occurrence”, and to assess climate-related opportunities based on the two dimensions of “potential value of the opportunity” and “implementability of the opportunity”, in order to determine the potential impact of each risk and opportunity on business and operations.

In line with China’s “Dual Carbon” goals, the timeframes set by the Science Based Targets initiative (SBTi), and the Group’s own business circumstances, we have defined the time horizons for climate-related risks and opportunities as: short-term (present to 2030), medium-term (2031 to 2040), and long-term (2041 to 2060).

A total of 7 material climate risks (4 physical risks and 3 transition risks) and 2 material climate opportunities were identified during the year. The table below details the types of climate risks/opportunities identified, descriptions of the risks/opportunities and their potential impacts, time horizons, and magnitude of impact:

Types of Risks/Opportunities	Description and Potential Impacts of Risks/Opportunities	Timeframe	Level of Impact	Measures/Action Plans	
<b>Physical Risk</b>					
<b>Acute Physical Risk</b>	Wildfire/ Forest Fire	In hot and dry climates, vegetation surrounding transmission line corridors can easily ignite wildfires, or external wildfires may spread into line corridors. Smoke and ash from wildfires can reduce insulation levels of transmission lines, causing trips, or even directly damage power facilities. To prevent wildfires, the Company may need to frequently cut off power, resulting in unplanned outages, while also facing potential legal liabilities and compensation risks.	Short-term Medium-term	Very High	The Group has formulated multiple emergency plans, including the <i>Emergency Plan for Flood Control</i> , the <i>Emergency Plan for Severe Weather Disasters</i> , the <i>Emergency Plan for Preventing and Responding to High Wind Accidents</i> , and the <i>Emergency Plan for Preventing and Responding to High Temperature and Drought</i> .  By developing corresponding response measures for specific extreme weather events, we further reduce climate change-related risks and negative impacts, while comprehensively enhancing the Group’s overall emergency management effectiveness. Notably, the <i>Emergency Plan for Severe Weather Disasters</i> explicitly delineates climate-related risk analysis dimensions, defining the analytical framework for hazard severity and identifying key areas most vulnerable to severe weather conditions. Furthermore, the plan provides a detailed description of the organisational structure of the emergency command system, monitoring and early warning procedures, disaster response protocols, and specific response measures, ensuring the effective implementation of all emergency operations and further strengthening the Group’s capacity to respond to extreme weather events.



## 7. GREEN PRACTICES

Types of Risks/Opportunities		Description and Potential Impacts of Risks/Opportunities	Timeframe	Level of Impact	Measures/Action Plans
	Inland Flooding	With the increasing frequency of extreme rainfall events, floods and mudslides triggered by heavy rainfall may threaten hydropower stations, substations, and transmission and distribution facilities located along rivers or in low-lying areas. Floods may force dams to discharge water urgently, affecting power generation efficiency, or directly inundate substation equipment and wash away transmission tower foundations, leading to power supply interruptions and increased emergency repair costs and asset replacement expenses.	Short-term Medium-term	High	
	Severe Convective Weather/ Strong Winds	Severe convective weather events such as strong winds, thunderstorms, and hailstorms can directly damage transmission and distribution networks, causing tower collapses, line breaks, and insulator flashovers. In mountainous areas, trees falling onto power lines are one of the main causes of distribution network disruptions. This not only increases the pressure and costs of grid operation, maintenance, and emergency repairs, but may also affect electricity sales revenue and customer satisfaction due to reduced power supply reliability.	Short-term Medium-term	High	
	Geological Disasters (Landslides/ Mudslides)	The complex geological structure of the Sichuan region, combined with extreme rainfall, can trigger geological disasters such as landslides and collapses, which may severely damage transmission towers, hydropower station water diversion channels, and access roads located in mountainous areas. This can lead to prolonged power interruptions, with post-disaster reconstruction being difficult, time-consuming, and costly.	Short-term Medium-term	High	
<b>Transition Risk</b>					
Policy and Legal Risk	Stricter Regulations on Power Supply Reliability and Safety	Regulatory requirements for power supply reliability, customer outage duration, and power safety production are continuously increasing. If the Company fails to adequately respond to extreme weather, resulting in large-scale outages or safety incidents, it may face regulatory penalties, litigation risks, and substantial fines, which could also affect the assessment of its power supply concession rights.	Short-term Medium-term	High	Strictly comply with all relevant regulations and standards concerning power supply reliability and safety production, continuously improve the safety production management system and emergency response framework; increase investment in the maintenance of power facilities to enhance equipment stability and resilience against disasters; conduct regular safety production and emergency drills to reinforce employees' awareness of standard operating procedures, ensuring safe and stable power supply that meets regulatory requirements.

## 7. GREEN PRACTICES

Types of Risks/Opportunities		Description and Potential Impacts of Risks/Opportunities	Timeframe	Level of Impact	Measures/Action Plans
Reputation Risk	Power Supply Service Satisfaction and Public Opinion	During extreme weather events (such as power restrictions during heatwaves or outages caused by heavy rainfall), the public is highly sensitive to power supply reliability. Prolonged outages or delayed repairs can easily trigger negative public opinion, damaging the Company's social image as a public utility and consequently affecting the trust of local governments and investors.	Medium-term Long-term	High	Establish a comprehensive public opinion monitoring and response mechanism to promptly inform the public of outage causes, repair progress, and estimated restoration times; optimise the allocation of emergency repair resources to improve response efficiency and shorten outage durations; strengthen public outreach on power supply services, disseminating knowledge on electricity safety and energy conservation to enhance public understanding and support for power supply operations, thereby maintaining a positive corporate image.
	Changes in Electricity Demand Side	As the "Dual Carbon" goals advance, market demand for green electricity consumption has significantly increased. In particular, industrial park customers are expected to see a substantial rise in demand for green certificates in the short term. If the Company fails to provide sufficient green electricity certification services or effective carbon management solutions in a timely manner, it risks losing major customers to other electricity retailers or competitors. Additionally, the proliferation of distributed photovoltaic technology is driving the development of a "self-generation for self-use" model on the customer side, which will directly substitute a portion of grid electricity demand, thus posing a potential impact on the Company's traditional electricity sales business.	Medium-term Long-term	High	Accelerate the expansion of clean energy capacity, enhance green power supply capabilities, actively participate in green certificate trading, and provide customers with integrated solutions for green power supply and carbon management; strategically deploy distributed photovoltaic projects, explore a collaborative model combining "grid supply + self-generation for self-use", and expand service offerings in the green energy sector; strengthen communication with key customers to understand their low-carbon needs, optimise service systems, and solidify customer partnerships.
<b>Opportunities</b>					
Climate Transition Opportunities	Clean Energy Capacity Expansion	Leverage Sichuan Province's abundant hydropower resources and solar energy potential to appropriately develop or acquire small hydropower stations, and develop distributed photovoltaics at substations, office areas, and suitable locations. Increasing owned clean energy installed capacity not only enhances energy self-sufficiency but also generates additional revenue through green electricity/green certificate trading.	Short-term Medium-term	High	Increase investment in the construction of integrated energy projects such as distributed photovoltaics, improve the clean energy transmission and distribution system; establish green electricity and green certificate trading mechanisms, actively expand the green power trading market, and enhance the profitability of clean energy assets.
	Expansion of Integrated Energy Services	In response to growing low-carbon demand from customers, continuously expand the Company's "integrated energy services" business segment. Provide value-added services such as the construction and operation of electric vehicle charging stations, commercial and industrial energy storage, and energy-saving retrofits, thereby creating new long-term revenue streams.	Short-term Medium-term Long-term	High	Form a dedicated integrated energy services team to conduct customer surveys on low-carbon needs and develop customised service solutions; accelerate the deployment of electric vehicle charging stations, advance the construction of commercial and industrial energy storage projects, and provide customers with consulting and implementation services for energy-saving retrofits; continuously refine the service system to increase market share in integrated energy services.



## 7. GREEN PRACTICES

### Climate Scenario Analysis

To systematically assess the potential impacts of climate change on the Group’s business, operations, and financial performance under different future pathways, the Group has referenced the scenario analysis methodologies recommended by ISSB S2 and TCFD. By selecting internationally mainstream climate scenario models and relevant key parameters, we conducted a forward-looking analysis of climate-related risks and opportunities, evaluating the degree of impact of potential transition risks and physical risks under different climate pathways, thereby supporting decision-making processes regarding strategic planning, risk management, and capital allocation.

The input information for climate scenario analysis is as follows:

<b>Boundary of analysis</b>	Sichuan Energy Investment Development Co., Ltd. and the subsidiaries within the scope of this Report.
<b>Timeframe</b>	Short-term (present to 2030), medium-term (2031 to 2040), and long-term (2041 to 2060).
<b>Scenario Assumptions</b>	<ul style="list-style-type: none"> <li>• The analysis uses the year 2025 as the baseline and assumes that the locations of the Group’s assets remain unchanged during the analysis period;</li> <li>• Relevant information disclosure is conducted in accordance with climate-related policies in Hong Kong and the climate-related disclosure requirements of the Hong Kong Stock Exchange;</li> <li>• It is assumed that currently implemented climate change mitigation policies and management measures will remain unchanged in the future; i.e., no new or enhanced mitigation measures are introduced when conducting the scenario analysis;</li> <li>• It is assumed that Chinese Mainland’s carbon neutrality policy goal remains unchanged, i.e., achieving carbon neutrality by 2060.</li> </ul>
<b>Climate Scenarios Selection</b>	We adopted the Shared Socioeconomic Pathways (SSPs) from the Sixth Assessment Report (AR6) of the Intergovernmental Panel on Climate Change (IPCC, selecting the SSP1–2.6 and SSP5–8.5 scenarios to analyse the potential physical risks arising from climate change. Meanwhile, referencing the Net Zero Emissions by 2050 Scenario (NZE) and the Stated Policies Scenario (STEPS) developed by the International Energy Agency (IEA), these serve as the core analytical basis for transition risks and climate opportunities.

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Based on the above climate scenario input information, the Group conducted a qualitative climate scenario analysis during the year. The table below summarises the results of the climate resilience analysis for the material climate risks and opportunities identified during the year.

Physical Risk	IPCC AR6 SSP1-2.6			IPCC AR6 SSP5-8.5		
	Short-term (Present-2030)	Medium-term (2031-2040)	Long-term (2041-2060)	Short-term (Present-2030)	Medium-term (2031-2040)	Long-term (2041-2060)
Wildfire/Forest Fire	Low			Low	Medium	
Inland Flooding	Low			Low	Medium	
Severe Convective Weather/Strong Winds	Low			Low	Medium	
Geological Disasters (Landslides/Mudslides)	Low	Medium		Medium		

Transition Risk	IEA NZE			IEA STEPS		
	Short-term (Present-2030)	Medium-term (2031-2040)	Long-term (2041-2060)	Short-term (Present-2030)	Medium-term (2031-2040)	Long-term (2041-2060)
Stricter Regulations on Power Supply Reliability and Safety	Low	Medium		Low	Medium	
Power Supply Service Satisfaction and Public Opinion	Low	Medium		Low	Medium	
Changes in Electricity Demand Side	Low	Medium		Low	Medium	

Value at Risk<sup>2</sup>: ■ Low ■ Medium ■ High

Opportunity	IEA NZE			IEA STEPS		
	Short-term (Present-2030)	Medium-term (2031-2040)	Long-term (2041-2060)	Short-term (Present-2030)	Medium-term (2031-2040)	Long-term (2041-2060)
Clean Energy Capacity Expansion	Low	High		Low	Medium	
Expansion of Integrated Energy Services	Low	High		Medium		

Value of Opportunity<sup>3</sup>: ■ Low ■ Medium ■ High

<sup>2</sup> According to the climate scenario analysis in the *Implementation Guidance for Climate Disclosures under HKEX ESG reporting framework*, a higher degree of value at risk indicates a greater potential impact of climate-related risks on the Company's asset value and financial condition, requiring the Company to take more measures to enhance climate resilience.

<sup>3</sup> According to the climate scenario analysis in the *Implementation Guidance for Climate Disclosures under HKEX ESG reporting framework*, a higher degree of value of opportunity indicates a more significant positive impact of climate-related opportunities on the Company's potential asset value and financial performance, and a greater extent to which the Company can benefit from the relevant trends.



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### Financial Impact Analysis

Building upon the climate scenario analysis, the Group has further conducted a qualitative climate-related financial impact assessment to evaluate the potential effects of the material climate risks and opportunities identified during the year on the Group's asset value, operating costs, revenue structure, and overall financial performance under different climate scenarios, providing a reference for management to support prudent decision-making. This assessment covers the current financial impacts within the Reporting Period, as well as expected financial impacts in the short-term, medium-term and long-term. The Group is currently advancing its quantitative analysis of climate-related financial impacts to more accurately assess the measurable effects of various climate risks on current and expected financial performance, thereby providing robust support for risk management and decision-making.

Types	Climate Risks/ Opportunities	Financial Impact (Qualitative)
Physical Risks	Wildfire/Forest Fire	<ul style="list-style-type: none"> <li>• <b>Current Financial Impact:</b> No significant direct financial impact.</li> <li>• <b>Expected Financial Impact:</b> If extreme high temperatures and dry weather occur more frequently, the probability of wildfires increases, which may lead to equipment damage, emergency repairs, and outage losses, as well as potential legal compensation costs, resulting in a certain negative impact on profits.</li> </ul>
	Inland Flooding	<ul style="list-style-type: none"> <li>• <b>Current Financial Impact:</b> No significant direct financial impact.</li> <li>• <b>Expected Financial Impact:</b> The increasing probability of floods caused by extreme rainfall may result in damage to power equipment, power generation interruptions, and increased costs for emergency repairs, asset replacement, and outage losses, leading to a moderate negative impact on revenue and profits.</li> </ul>
	Severe Convective Weather/Strong Winds	<ul style="list-style-type: none"> <li>• <b>Current Financial Impact:</b> No significant direct financial impact.</li> <li>• <b>Expected Financial Impact:</b> The increasing frequency and intensity of severe convective weather will heighten the probability of damage to transmission and distribution equipment, increase operation, maintenance and emergency repair costs, and reduce electricity sales revenue due to outages, resulting in a moderate negative impact on financial performance.</li> </ul>
	Geological Disasters (Landslides/Mudslides)	<ul style="list-style-type: none"> <li>• <b>Current Financial Impact:</b> No significant direct financial impact.</li> <li>• <b>Expected Financial Impact:</b> The increasing probability of geological disasters induced by extreme rainfall may lead to damage to transmission facilities and water diversion channels, prolonged power outages, and high post-disaster reconstruction costs, resulting in a moderate negative impact on financial performance.</li> </ul>

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Types	Climate Risks/ Opportunities	Financial Impact (Qualitative)
Transition Risk	Stricter Regulations on Power Supply Reliability and Safety	<ul style="list-style-type: none"> <li>• <b>Current Financial Impact:</b> Strict compliance with current regulations, no significant direct financial impact.</li> <li>• <b>Expected Financial Impact:</b> As regulations become increasingly stringent, greater investment in safety production and equipment upgrades will be required. Any non-compliance could result in substantial fines, leading to a moderate negative impact on profits.</li> </ul>
	Power Supply Service Satisfaction and Public Opinion	<ul style="list-style-type: none"> <li>• <b>Current Financial Impact:</b> No significant negative public sentiment has arisen, and there has been no major direct financial impact.</li> <li>• <b>Expected Financial Impact:</b> In the event of major negative public opinion, it may lead to reduced government subsidies, customer attrition, and increased brand restoration costs, resulting in a moderate negative impact on revenue and profits.</li> </ul>
	Changes in Electricity Demand Side	<ul style="list-style-type: none"> <li>• <b>Current Financial Impact:</b> Continued strategic positioning in green electricity and green certificate business, no significant direct financial impact.</li> <li>• <b>Expected Financial Impact:</b> Failure to adapt promptly to changes in demand may result in the loss of major customers and a decline in traditional electricity sales revenue. Conversely, capturing opportunities in green electricity could offset losses through green electricity trading and value-added services, with the overall financial impact being neutral to slightly negative.</li> </ul>
Opportunities	Clean Energy Capacity Expansion	<ul style="list-style-type: none"> <li>• <b>Current Financial Impact:</b> Clean energy projects are currently in the layout phase, with a slight impact on short-term profits, but demonstrate strong long-term development potential.</li> <li>• <b>Expected Financial Impact:</b> As clean energy capacity is realised, revenue from green electricity supply and green certificate trading will increase, while improved energy self-sufficiency will reduce procurement costs, resulting in a moderate positive impact on revenue and profits, with a significant positive impact over the long term.</li> </ul>
	Expansion of Integrated Energy Services	<ul style="list-style-type: none"> <li>• <b>Current Financial Impact:</b> Integrated energy services are in the early stages of development; the overall financial impact is slight compared to the main business segments.</li> <li>• <b>Expected Financial Impact:</b> As customer demand for low-carbon solutions grows, revenue from integrated energy services will gradually increase, becoming a new profit driver, with a moderate positive impact on revenue and profits and a steadily increasing positive impact over the long term.</li> </ul>



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### 7.4.3 Risk Management

The Group has integrated climate-related matters into its operational risk assessment and management system and established a comprehensive climate risk and opportunity management process to continuously identify, assess, and manage climate risks and opportunities, thereby enhancing the Group's climate resilience.

During the Reporting Period, the Group systematically carried out the identification and assessment of climate-related risks and opportunities and, on this basis, further analysed their potential financial impacts. Meanwhile, we conducted scenario analysis based on different hypothetical scenarios regarding climate transition and physical risks to assess the Group's risk resilience under different climate pathways, providing a reference basis for strategic decision-making and development planning. The specific steps are as follows:

#### Step 1: Climate Risk and Opportunity Identification

Referencing industry disclosure practices, research materials, and the policy environment, and combining them with our own value chain and the characteristics of our operating regions, we systematically identify climate risks and opportunities relevant to our business to establish a list of risks and opportunities.

#### Step 2: Climate Risk and Opportunity Assessment

We comprehensively assess each climate risk and opportunity based on key dimensions such as the degree of impact and likelihood of occurrence. Combining the professional judgment of internal management with cross-departmental opinions, we conduct materiality analysis and prioritisation of relevant risks and opportunities to form a climate risk and opportunity matrix.

#### Step 3: Scenario Analysis and Financial Impact Analysis

Selecting internationally recognised climate scenarios and key parameters, we analyse the degree of impact of material climate risks and opportunities under different scenarios, as well as their potential financial impacts.

#### Step 4: Reporting of Analysis Results

The results of climate risk and opportunity assessments, scenario analysis conclusions, and financial impact analysis outputs generated from the above steps are regularly reported to the Board of Directors, providing a robust basis for the Board's decision-making on climate-related strategies.

#### Step 5: Response Measures and Continuous Improvement

Systematically review and comprehensively assess the effectiveness of existing climate risk management measures, draw on industry best practices, and develop scientifically sound and actionable response action plans. Under the oversight of the Board of Directors and the ESG Management Committee, the ESG Working Group continuously optimises and refines these measures based on implementation feedback, steadily enhancing the Group's climate risk management capabilities and operational resilience.

### 7.4.4 Metrics and Targets

#### Climate Targets

The Group regularly establishes relevant green energy indicators, and all electricity facility indicators for the year were successfully achieved. The specific results are as follow:

- The total installed capacity of six hydropower stations reached 127,030 kW;
- The total transformer capacity of three 220 kV-substations reached 1,080,000 kVA;
- The total transformer capacity of twenty-eight 110-kV substations reached 1,992,000 kVA;
- The total transformer capacity of fifty-nine 35-kV substations reached 637,200 kVA.

To continuously promote green and low-carbon development, the Group sets climate and green energy-related performance targets annually, steadily expands the coverage of energy conservation and emission reduction indicators, and ensures orderly progress towards annual targets through regular specialised inspections.

During the Reporting Period, the Group initiated the development of climate-related targets to drive its low-carbon transition and respond to the national “Dual Carbon” goals and Hong Kong’s net-zero emissions strategy. The target-setting process references international and local policy frameworks such as the nationally determined contributions under the *Paris Agreement*, the national “Dual Carbon” goals, the *Hong Kong Climate Action Plan 2030+*, and the *Roadmap on Carbon Neutrality by 2050*. Preliminary qualitative emission reduction targets have been established (for details, please refer to the “ESG Targets” section of this Report), and the Group is progressively advancing towards quantitative greenhouse gas emission targets. The development of relevant targets has been incorporated into the Group’s ESG governance framework, coordinated by the ESG Working Group. The relevant documents will be submitted to the ESG Management Committee for review alongside the annual ESG report, and subsequently presented to the Board of Directors for consideration.

#### Greenhouse Gas Emission Indicators

Based on the characteristics of the Group’s business, during the Reporting Period, our greenhouse gas emissions primarily originated from Category 3 — fuel- and energy-related activities (not included in Scope 1 or Scope 2) under Scope 3. To further strengthen the management of greenhouse gas emission data and enhance the scientific accuracy and reliability of data accounting, the Group has systematically advanced the identification, classification, and accounting of Scope 3 emissions in strict accordance with the *Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard*. Leveraging a cross-functional collaboration mechanism, and building upon the systematically identified Scope 3 emission categories closely related to the Group’s business operations, the Group continues to carry out the comprehensive collection, classification, and verification of greenhouse gas emission data, ensuring the authenticity, completeness, and traceability of the data.

For detailed greenhouse gas emission performance of the Group during the year, please refer to the “Environmental Performance” section of this Report.



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### 7.5 CLEAN ENERGY DEVELOPMENT

The Group steadfastly implements the corporate purpose of “Green, Low-Carbon, Technology Empowerment” of Sichuan Energy Development Group Co., Ltd., closely aligning with the national “dual carbon” strategic goals and local energy transition development plans. During the Reporting Period, we continued to deepen our commitment to the clean energy sector, comprehensively expanding the green energy business landscape and promoting the large-scale, intensive and high-quality development of the clean energy industry, thereby fulfilling our social responsibility and mission as an energy enterprise through concrete actions.

Leveraging its existing industrial footprint and resource advantages, the Group actively operates several subsidiary green energy companies, with business segments covering the full chain of services including clean energy generation (covering solar, biomass, etc.), transmission and distribution, integrated power supply, energy construction works, and resource recycling. This has formed a complete industrial system of “generation — transmission and distribution — services — recycling”, laying a solid foundation for the industrialisation of clean energy.

To seize the major local development strategy opportunities presented by “Electric Sichuan” and “Electric Yibin”, the Group, driven by innovation, has vigorously expanded into emerging businesses such as smart integrated energy stations, charging and swapping stations, distributed photovoltaic power generation, industrial park energy services, and urban distributed integrated energy. This promotes the deep integration of clean energy with digital and intelligent technologies, constructing a comprehensive energy service system featuring multi-energy complementarity, efficient dispatch, and intelligent control, meeting the green energy demands of diverse scenarios.

In December 2025, the Yibin High-tech Zero-Carbon Park Green Power Grid Connection Project, planned and constructed by the Group, was officially put into operation, marking the transition of the energy supply model in Yibin High-tech Zone, centred on “dedicated line direct supply + green certificate traceability”, from the exploratory stage to substantive application.

As the province’s first intelligent green microgrid, this project combines technological innovation with demonstrative leadership. Its core construction elements include a dedicated line and the first phase of the 110 kV Nanwan Substation intelligent zero-carbon grid. The project’s key element, the Nanwan 110 kV transmission and transformation works, adopts 21 advanced technological solutions and equipment, enabling autonomous and controllable domestic hardware and software, as well as intelligent operation and maintenance functions such as unmanned supervision. By aggregating clean energy resources such as run-of-river hydropower and photovoltaics from Yibin and surrounding areas, the project realises unified dispatch, intelligent supply, and full-chain traceability management of green electricity.

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**Photovoltaic Power  
Generation Project**



**Nanwan Substation**



**Youguankou  
Hydropower Station**

Following the commissioning of the project, Phase I has achieved an installed capacity of 167 MW, with an annual power generation of 680 million kWh, significantly increasing the proportion of green power in the Yibin High-tech Zone's energy mix. The project effectively reduces regional fossil-fuel consumption and greenhouse gas emissions, providing core energy support for the development of a zero-carbon industrial park. It also offers a replicable and scalable "Yibin Solution" for the construction and application of clean-energy microgrids across the province.

In terms of the industrialisation and market development of clean energy, the Group continues to increase resource investment and industrial footprint expansion, while actively expanding green energy trading and service businesses to realise the value of clean energy. In 2025, through market expansion, the Group established in-depth green energy business partnerships with multiple supply chain enterprises, successfully transacting 3,946 International Renewable Energy Certificates (I-REC), 120,540 China Green Certificates (GEC), and 60 tonnes of VCS credits. These transactions effectively assisted partner enterprises in achieving their carbon reduction targets, enhancing the consumption level of green electricity, while also strengthening the Group's market influence and professional service capabilities in the green energy trading sector.

In addition, focusing on the low-carbon transition needs of enterprises, the Group has vigorously developed integrated "green electricity + green certificate" market services, establishing a full-process, integrated service system. Currently, we have established stable cooperative relationships with a number of key enterprises in Sichuan Province, providing them with "one-stop" services such as green electricity and green certificate qualification matching, policy interpretation, transaction operation training, and solutions to common issues, helping enterprises efficiently address practical challenges in their low-carbon transition.

Looking ahead, the Group will continue to increase research and development investment and industrial footprint expansion in the clean energy sector, deepen innovative developments in smart energy, green electricity trading, integrated energy services and other businesses, continuously expand the green energy landscape, and enhance clean energy supply capacity.

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### 7.6 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 2025	Year 2024	Year 2023	Year 2022	Unit
<b>Power generation</b>	611,507.85	516,158.43	452,459.95	526,478.35	MWh
<b>Electricity sales (The electricity for the terminal users)</b>	8,837,106.82	7,986,332.54	6,320,659.00	4,550,360.00	MWh

Emissions	Year 2025	Year 2024	Year 2023	Year 2022	Unit
<b>Air Pollutant<sup>4</sup></b>					
Nitrogen oxides	2,384.50	2,210.72	1,486.56	2,223.87	kg
Sulphur oxides	8.00	8.78	5.12	4.74	kg
Particulate matter (PM2.5)	58.24	63.14	40.36	60.29	kg
Particulate matter (PM10)	64.44	69.92	44.57	66.79	kg
Carbon monoxide	5,229.12	5,572.19	3,353.79	3,403.41	kg
<b>Greenhouse Gas<sup>5</sup></b>					
Scope 1 <sup>6</sup>	1,125.86	1,138.15	1,176.21	1,311.98	tonnes CO <sub>2</sub> e
Scope 2 <sup>7</sup>	206,550.74	216,216.92	285,768.26	438,974.22	tonnes CO <sub>2</sub> e
Scope 3 <sup>8</sup>	5,058,028.16	/	/	/	tonnes CO <sub>2</sub> e
Total Greenhouse gas emissions (Scope 1 and Scope 2)	207,676.59	217,355.07	286,944.47	440,286.21	tonnes CO <sub>2</sub> e
Total Greenhouse gas emission intensity (Scope 1 and Scope 2)	0.02	0.03	0.05	0.10	tonnes of CO <sub>2</sub> e/MWh of
Total Greenhouse gas emissions (Scope 1, Scope 2 and Scope 3)	5,265,704.75	/	/	/	tonnes CO <sub>2</sub> e
Total Greenhouse gas emission intensity (Scope 1, Scope 2 and Scope 3)	0.60	/	/	/	tonnes of CO <sub>2</sub> e/MWh of
CO <sub>2</sub> emission reduction from self-generated power	328,135.11	276,970.62	258,037.91	300,250.60	tonnes CO <sub>2</sub> e

<sup>4</sup> 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.

<sup>5</sup> Greenhouse gas emissions under Scopes 1 and 2 arise 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 loss in the transmission and distribution process. Scope 3 greenhouse gas emissions include the following categories: Category 3 — fuel- and energy-related activities (not included in Scopes 1 and 2), Category 5 — waste generated in operations, and Category 6 — business travel.

<sup>6</sup> 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.

<sup>7</sup> The calculation method for greenhouse gas (Scope 2) emissions data is referenced from the Accounting Method and Reporting Guidelines for Greenhouse Gas Emissions of China State Grid Enterprises (Trial) compiled by the National Development and Reform Commission of the People's Republic of China, as well as the relevant emission factors outlined in the *Technical Guidelines for the Compilation of Inventory for Air Pollutant Emissions from Non-road Mobile Sources* and the *Announcement on the Release of 2023 CO<sub>2</sub> Emission Factors* issued by the Ministry of Ecology and Environment.

<sup>8</sup> The calculation methodology for greenhouse gas (Scope 3) emissions by category is referenced to the *Corporate Value Chain (Scope 3) Accounting and Reporting Standard*.

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Emissions	Year 2025	Year 2024	Year 2023	Year 2022	Unit
<b>Hazardous Waste</b>					
Waste mineral oil and mineral oil-containing waste	0.14	6.51	0.67	0.43	tonnes
Total	0.14	6.51	0.67	0.43	tonnes
Intensity	0.02	0.82	0.11	0.09	g/MWh Electricity sales
<b>Non-hazardous Waste</b>					
Office and domestic waste	54.51	11.59	9.45	18.89	tonnes
Total	54.51	11.59	9.45	18.89	tonnes
Intensity	6.17	1.45	1.49	4.15	g/MWh Electricity sales
Waste salvage in the reservoir area of the dam <sup>9</sup>	162.00	471.00	200.00	300.00	tonnes
<b>Waste water</b>					
Office and domestic wastewater	57,474.00	61,335.30	73,213.33	33,002.94	tonnes
Intensity	21.53	22.84	25.72	11.39	tonnes/person

During the Reporting Period, the Group continued to optimise its data management system and systematically reviewed and supplemented the statistical scope of office and domestic waste generation. As a result, the data for office and domestic waste show an increase compared with 2024, primarily due to the improved completeness of data coverage.

<sup>9</sup> 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 2021, the waste salvage in the reservoir area of the dam will not be counted as non-hazardous waste produced by us, so its intensity and total amount will be disclosed separately.

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Resources Consumption	Year 2025	Year 2024	Year 2023	Year 2022	Unit
<b>Use of Resources</b>					
<b>Energy</b>					
Office and production power consumption	407,502.34	406,969.42 <sup>10</sup>	517,580.94	774,037.65	MWh
Intensity	0.05	0.05	0.08	0.17	MWh/MWh electricity sales
Gasoline	397,245.21	414,213.89	415,463.18	405,783.33	Litre
Intensity	0.04	0.05	0.07	0.09	Litre/MWh of electricity sales
Diesel	79,324.85	69,587.05 <sup>10</sup>	82,543.50	145,091.21	Litre
Intensity	0.01	0.01	0.01	0.03	Litre/MWh of electricity sales
Total energy consumption <sup>11</sup>	411,825.56	411,349.79	522,098.35	779,076.16	MWh
Intensity	0.05	0.05	0.08	0.17	MWh/MWh electricity sales
<b>Water resources</b>					
Office and domestic water consumption	68,977.00	47,656.00	78,818.55	55,293.84	tonnes
Intensity	25.84	17.74	27.68	19.08	tonnes/person
Water withdrawal for power generation	13,585,962,430.54	9,872,671,852.00	9,613,464,715.93	12,225,657,485.63	tonnes
Intensity	22.22	19.13	21.25	23.22	tonnes/kWh of power generation

During the Reporting Period, the Group continued to enhance its data management system and systematically reviewed and supplemented the statistical scope of office and domestic water consumption. Consequently, the relevant water consumption data show an increase compared with the previous year. Looking ahead, the Group will steadily advance water-saving initiatives in line with the water efficiency strategies and water resource utilisation targets set out in the “ESG Targets” section of the Report, continuously improving the efficiency of water resource utilisation.

<sup>10</sup> The relevant data for 2024 have been revised.

<sup>11</sup> 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. EMPOWERING EMPLOYEES

Employees are the Group’s most valuable core resource and a key force driving the Group towards sustainable development. The Group steadfastly adheres to the management philosophy of “governing the enterprise in accordance with the law, revitalising the enterprise through ethics, and strengthening the enterprise by empowering its people”, striving to create a safe, comfortable, fair and inclusive workplace environment, while building a compensation and benefits system that is both market-competitive and equitable. We also provide clear and achievable career development pathways for all employees, fully unlocking their professional potential and individual strengths, ultimately achieving the long-term goal of mutual growth and collaborative development between the enterprise and its employees.

### 8.1 HUMAN RESOURCES MANAGEMENT

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 compensation and dismissal, recruitment and promotion, working hours, holidays, prevention of child or forced labour, equal opportunities, 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 the Implementation of the Employment Contract Law of the People's Republic of China</i>	<i>Law on the Protection of Women's Rights and Interests</i>
<i>Law of the People's Republic of China on the Protection of Disabled Persons</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 Paid Annual Leave for Employees</i>	<i>Provisions on Minimum Wages</i>
<i>Employment Promotion Law of the People's Republic of China</i>	<i>Regulation on Work-Related Injury Insurance</i>	<i>Labor Contract Law of the People's Republic of China</i>	<i>National Holidays and Commemorative Days Leave Regulations</i>	<i>Prohibition of the Use of Child Labor Regulation</i>
	<i>Law of the People's Republic of China on the Protection of Minors</i>	<i>Trade Union Law of the People's Republic of China</i>	<i>Regulations on Unemployment Insurance of the People's Republic of China</i>	

The Group has consistently adhered to an excellent human resources management philosophy and, in strict accordance with relevant national employment laws and regulations, has formulated and implemented a comprehensive set of internal management policies, including the *Measures for Recruitment Management*, the *Labour Contract Management Measures*, and the *Measures for Compensation Management*. These policies comprehensively cover the core stages of the entire employee lifecycle, from onboarding to offboarding, including recruitment and dismissal, compensation and promotion, working hours, holiday arrangements, equal opportunity guarantees, diversity initiatives, anti-discrimination measures, and various employee benefits. During the Reporting Period, the Group did not experience any violations of the aforementioned employment-related laws and regulations, nor did it receive any related complaints or non-compliance cases. Moving forward, we will continue to uphold the management principles of compliance, fairness and justice, continuously optimising and refining our employment management systems to effectively safeguard the legitimate rights and interests of all employees.



## 8. EMPOWERING EMPLOYEES

### 8.1.1 Recruitment and Dismissal

To further standardise the management of employee recruitment processes and ensure the scientific rigour and fairness of hiring practices, the Group has formulated the *Measures for Employment Management* in accordance with relevant national laws and regulations, internal management requirements, and the actual operational needs of the Group. This regulation clearly establishes four core recruitment principles: “standardise and simplify processes”, “jobs and talents matching”, “merit-based recruitment with high transparency”, and “balancing internal and external considerations, with internal priority”. The Group’s Human Resources Department is responsible for strictly implementing a standardised recruitment process, ensuring transparency throughout by disclosing recruitment conditions, procedures, and outcomes. Concurrently, we conduct rigorous qualification reviews, carefully verifying candidates’ identification documents to ensure that all recruited employees meet the statutory working age requirements, firmly prohibiting the employment of child labour and forced labour. Should any instances of employing minors be discovered, the relevant employment relationship will be terminated immediately in accordance with the law, thereby fulfilling the Company’s corporate social responsibility and upholding the dignity of the law.

Human Resource Department at Headquarters	Human Resource Department at Subsidiaries
<ul style="list-style-type: none"><li>• Implement relevant regulations regarding employee recruitment and formulate the Measures for Recruitment Management</li><li>• Develop the annual employee recruitment plan</li><li>• Organise and carry out employee recruitment work at headquarters</li><li>• Coordinate and approve the recruitment demand plan of subsidiaries</li><li>• Supervise and guide the employee recruitment work of subsidiaries, coordinating the resolution of problems and difficulties encountered during the recruitment process</li><li>• Approve or file the recruitment results of subsidiaries</li></ul>	<ul style="list-style-type: none"><li>• Implement the Company’s regulations, documents, and work requirements regarding employee recruitment</li><li>• Establish the Employee Recruitment Management System for the subsidiary</li><li>• Propose the recruitment demand plan for the subsidiary</li><li>• Develop the recruitment work plan for the subsidiary and organise its implementation</li><li>• Submit the recruitment results to the headquarters for approval and record</li><li>• Handle the new employee onboarding procedures and organise the new employee orientation training for the subsidiary</li></ul>

At the same time, the Group has formulated the *Labour Contract Management Measures*, based on the core principles of legality, fairness, voluntariness, equal consultation, honesty, and credit. These measures aim to safeguard the legitimate rights and interests of both the Company and its employees, establish harmonious, stable, and mutually beneficial labour relations, and provide a strong foundation for the Group’s reform and development. The regulation clearly defines the specific procedures and applicable circumstances for employee resignation and dismissal, requiring that both the Company and employees notify the decision of departure or dismissal in advance in written form. Employees must complete work handover procedures and transfer social security and provident fund relationships as stipulated before receiving their certificates of departure or dismissal, ensuring standardised processes and clear delineation of rights and responsibilities.

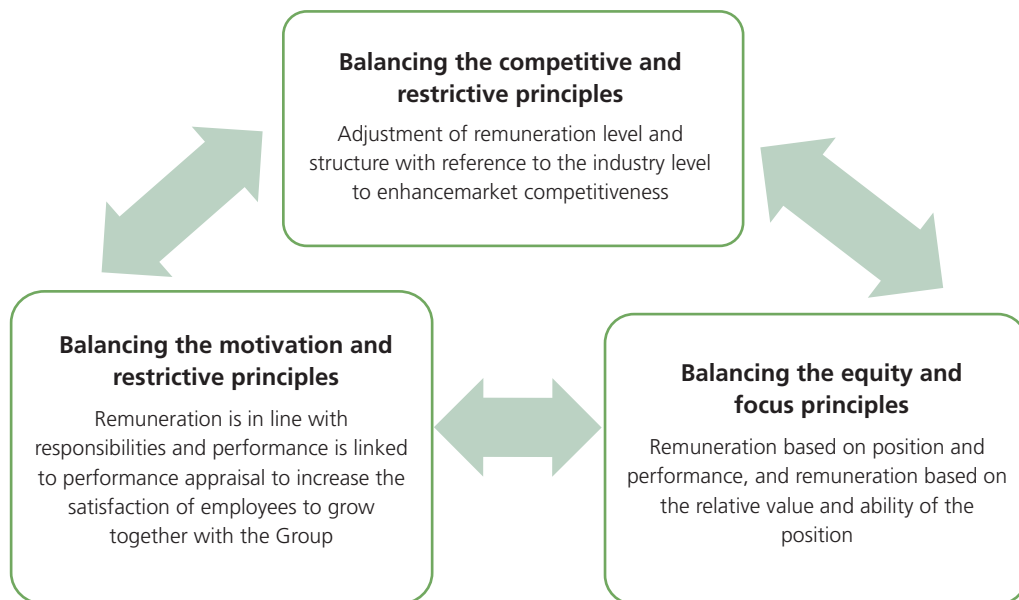
## 8. EMPOWERING EMPLOYEES

The formulation and implementation of the above management measures ensure that the Group treats every employee with fairness and respect in both recruitment and dismissal processes, fully safeguarding employees' legitimate rights and interests while effectively protecting the Company's legitimate interests. This helps to create a stable and harmonious internal work environment, further enhances employee job satisfaction and sense of belonging, and injects sustained momentum into the Group's sustainable development.

### 8.1.2 Compensation and Promotion

The Group strictly implements the *Measures for the Management of Compensation* and the *Total Wage Management Measures (Trial)*, comprehensively standardising the compensation management work for headquarters employees. These measures clearly define the specific requirements for departmental division of responsibilities, rank system, compensation structure, compensation calculation and disbursement, consistently upholding the fundamental principles of fairness, impartiality and transparency in compensation management, ensuring that compensation distribution is scientifically sound, reasonable, and traceable.

Our compensation management is based on three fundamental principles:





## 8. EMPOWERING EMPLOYEES

In terms of operational contribution incentives, the Group has formulated the *Management Measures for Operational Contribution Incentives (Trial)*, successfully establishing a well-directed, scientifically regulated and effective incentive system. This system focuses on establishing multiple award categories, including operational management awards, comprehensive energy awards, capital operation awards, engineering construction awards, and innovation-driven awards, specifically designed to incentivise all employees to complete various important, challenging and urgent special tasks with high quality. Concurrently, units, teams and individuals that achieve key results in advancing the Group's priority tasks, major projects and important deployments in challenging and demanding circumstances are also granted corresponding recognition and material rewards, fully mobilising the work enthusiasm, initiative and creativity of all employees, and contributing to the Group's high-quality development. The average staff remuneration of the Group for 2025 was RMB135,200, representing a year-on-year increase of 5.63%. This demonstrates the Group's commitment to valuing and caring for employee rights and well-being, as well as its dedication to sharing the fruits of development with all employees.

Furthermore, adhering to the core principles of "Party management of talent, comprehensive coordination, efficiency first and dynamic management", the Group has formulated the *Measures for Rank Management (Provisional)* to further regulate the management of the rank system, effectively broadening employees' career development space and promotion pathways, continuously stimulating employees' potential, and encouraging mutual growth between employees and the Company.

### 8.1.3 Working Hours and Holidays

The Group has formulated the *Interim Measures for Employee Leave and Attendance Management* in accordance with relevant national laws and regulations and internal management standards, effectively safeguarding the rest and leave rights of all employees. The measures clearly stipulate that the daily working hours for employees are 7 hours, and provide detailed specifications for various types of leave, including statutory holidays, public holidays, sick leave, personal leave, marriage leave, maternity leave, care leave, breastfeeding leave, funeral leave, work-related injury leave, and annual leave, along with the corresponding remuneration entitlements. Subsidiary companies are also encouraged to refer to these measures and develop internal attendance and leave management policies that align with their own operational realities, collectively fostering a work environment that supports a healthy work-life balance for all employees.

The Group's Human Resources Department is responsible for employee attendance management, having established a multi-tiered approval mechanism to strictly regulate the entire process of leave application and approval, ensuring that each stage complies with management requirements. To ensure the effective implementation of the system, the Human Resources Department, the Office, and the Disciplinary Department conduct regular spot inspections of attendance across various departments, resolutely eliminating any form of forced labour. Should any suspected violations of labour laws and regulations be identified, the Group will promptly take corrective measures to cease the relevant practices and, in accordance with internal disciplinary mechanisms, strictly hold the responsible personnel accountable, thereby ensuring the compliance of the Group's operations and safeguarding employees' legitimate rights and interests.



## 8. EMPOWERING EMPLOYEES

### 8.1.4 Equal Opportunity, Diversity and Anti-Discrimination

The Group consistently adheres to an equal and diverse employee management philosophy, and is committed to fostering a fair, just, open and inclusive working environment. Throughout the entire human resources management process, particularly during recruitment, we strictly follow the core principles of “*openness, equality, and merit-based selection*”, placing strong emphasis on evaluating candidates’ professional knowledge, comprehensive competencies, business acumen, and alignment with the Group’s core values. We resolutely ensure that all employees enjoy equal rights in recruitment, compensation, and career advancement, and do not discriminate on any grounds, including gender, age, religious beliefs, ethnicity, disability status, health conditions, marital status, or pregnancy.

In terms of compensation systems and rank determination, the Group has established a scientifically sound and comprehensive assessment mechanism. Employees’ compensation packages and career progression are determined fairly based on their job performance, work achievements, and contributions to the Group, fully reflecting the fairness and transparency of our compensation management. We remain committed to fostering an open, inclusive, and diverse work environment where every employee can fully realise their potential in a fair and competitive atmosphere, achieving both professional development and personal fulfilment.

### 8.1.5 Employee Benefits and Welfare

The Group strictly complies with the *Social Insurance Law of the People’s Republic of China*, effectively safeguarding the rights of all employees to receive material assistance from the state and society in accordance with the law, and ensuring that employees’ legitimate rights and interests are fully realised and protected. During the Reporting Period, the Group organised a diverse range of employee activities, effectively promoting communication, exchange and collaboration among employees, while further enhancing team cohesion and a sense of belonging. The Group’s per capita expenditure on employee benefits, social insurance and housing provident fund contributions for 2025 amounted to RMB51,500, representing a year-on-year increase of approximately 12.69%. This further demonstrates the Group’s continued commitment to investing in employee well-being.



## 8. EMPOWERING EMPLOYEES



Staff Work Break Exercise Competition



Summer Childcare Programme for Employees' Children



International Women's Day Series of Themed Events



World Book Day Activity

As a responsible enterprise that cares deeply for its employees, the Group consistently prioritises the physical and mental wellbeing of its workforce. During the Reporting Period, the Group's headquarters and its subsidiaries conducted a series of employee care initiatives, including visits and acts of support, to gain a deeper understanding of employees' work and living conditions, provide comprehensive care for their physical and mental health, and effectively enhance employees' sense of happiness and belonging.

## 8. EMPOWERING EMPLOYEES



2025 Chinese New Year Warmth Delivery Activity



Visit to the Village-Based Work Team



"Summer Coolness Delivery" Care Activity



Visit to Employees in Hardship

### 8.2 OCCUPATIONAL HEALTH AND SAFETY

The Group adheres to the core safety management principle of "prevention first, combining prevention with control", progressively establishing and continuously improving an occupational health and safety management system that covers all processes and positions. We proactively implement a series of pragmatic management measures, conduct various safety-themed training programmes on a regular basis, and strive to create a safe, reliable and secure working environment for all employees. Concurrently, the Group strictly aligns with workplace safety standards, regularly conducts comprehensive safety risk assessments, and rigorously implements safety prevention procedures and protective measures to prevent workplace injuries and occupational hazards at the source, effectively safeguarding the physical and mental health of our employees.



## 8. EMPOWERING EMPLOYEES

During the Reporting Period, the Group has strictly complied with the following laws and regulations concerning the provision of a safe working environment and protection of employees from occupational hazards, which have a significant impact on our operations (including but not limited to):

<i>Work Safety Law of the People's Republic of China</i>	<i>Law of the People's Republic of China on Prevention and Control of Occupational Diseases</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>Production Accident Contingency Plan Management Measures</i>	<i>The Administrative Regulations on the Work Safety of Construction Projects</i>	<i>Regulations on the Reporting, Investigation and Disposition of Work Safety Accidents</i>
<i>Regulation on the Administration of Work Safety of Construction Projects</i>	<i>Regulations on Labor Protection in Workplaces Using Hazardous Substances</i>	<i>Convention Concerning Occupational Safety and Health and the Working Environment</i>	

Building on a foundation of compliance management, we strictly adhere to all relevant occupational health and safety laws and regulations. Using the Group's *Safety Production Management Standard* as the core framework, we have formulated and implemented a series of normative documents, including the *Occupational Health Management System*, the *Work Injury Insurance Management System*, and the *Regulations for the Management of Electrical Safety Equipment*. These documents further clarify the specific requirements and implementation standards for the prevention and control of occupational hazards, the standardised management of work injury insurance, and the proper use of electrical safety equipment, providing systematic and comprehensive institutional support for the occupational health and safety of our employees.

We continue to intensify efforts to enhance workplace safety, continuously improving a safe and healthy working environment through the establishment of systematic and regular risk control and prevention mechanisms. These pragmatic measures fully reflect the Group's high regard for and humanistic care towards the physical and mental health of our employees, ensuring that every employee can demonstrate their professional expertise, realise their potential, and achieve both career development and personal fulfilment in a safe and secure environment.

The Group recorded zero work-related fatalities in the past three reporting years (including the current Reporting Period) and zero lost days due to work injury during the year. We remain unwavering in our commitment to reducing health and safety risks. We will continue to optimise the working environment, actively implement measures to promote the physical and mental well-being of our employees, and strive to create a safe, healthy and caring workplace.

### 8.2.1 Occupational Safety Training

Building on the continuous improvement of the occupational health and safety management system, the Group has established a dedicated occupational health and safety training framework. Safety training has been incorporated into the key priorities of annual safety work, with the formal issuance of the *Key Points of Safety and Environmental Protection Work*. In accordance with the *Sichuan Province Production Safety Regulations*, we have systematically carried out safety training for all employees, three-level safety training for new employees, and job-specific safety skills training in a planned and tiered manner. Concurrently, we conduct rigorous assessments of training implementation and employee competency to ensure that training outcomes are effectively realised. The following occupational health and safety management measures are implemented at the Group level (including but not limited to):

#### Management Personnel Allocation

- An entity with serious occupational disease hazards shall have safety management personnel to undertake part-time occupational health management duties. Such personnel shall have occupational health knowledge and management capabilities corresponding to the production and operation activities carried out by the entity, and shall receive occupational health training, and shall obtain relevant qualifications before assuming their duties.

#### Safety Equipment Management

- Electrical safety equipment shall be selected from the list of qualified products of electrical safety equipment manufacturers published by the Electric Power Industry Electrical Safety Equipment Quality Supervision, Inspection and Testing Centre, prioritising commonly used products;
- It is strictly forbidden to select, purchase and use “Three-nos” (no manufacturer’s logo, no product licence, and no product certification) electrical safety tools.

#### Occupational Health Assessment

- For some engineering construction, technical transformation and technology introduction projects that may cause occupational disease hazards, pre-evaluation of occupational disease hazards shall be conducted during the feasibility demonstration stage to evaluate the factors that may cause occupational disease hazards in the project and their impact on workplace safety and labour health, and determine the types of hazards and occupational disease protection measures.

#### Occupational Health Knowledge Training

- Each subsidiary must provide employees with occupational health knowledge training before and during their employment. The training includes: production safety regulations, operating procedures, hazardous factors, preventive measures, emergency response measures for accidents, identification of occupational hazards, consequences of occupational hazards, and methods for reporting occupational hazards.

#### Occupational Health Examination

- Each subsidiary organises and carries out annual physical examination for employees. The occupational health examination shall be borne by the medical and health institutions that have obtained the Medical Institution Practising Licence, and the occupational health examination expenses shall be borne by each subsidiary.



## 8. EMPOWERING EMPLOYEES



The Group's subsidiaries conduct fire protection training and drills in accordance with annual plans. Under the unified guidance of the Group's Safety and Environmental Protection Department, and organised by the safety management departments of each subsidiary, professional fire protection instructors are invited to provide on-site training. Practical exercises focusing on fire extinguisher operation, fire escape, and initial-stage fire suppression are conducted, further consolidating employees' fire safety skills.



To actively safeguard the physical and mental health of employees, the trade union of Sichuan Energy Investment Development and Construction, in collaboration with a professional health examination hospital, organised an AI-based eye health assessment activity. Using professional equipment to capture high-definition fundus images, advanced AI algorithms analysed ocular conditions and chronic disease risks, generating a risk report within three minutes. Professional physicians simultaneously provided personalised health recommendations, comprehensively addressing employees' health needs and continuously enhancing health service initiatives.

To effectively ensure workplace safety for employees, all trainees are required to undergo rigorous assessments after training. Those who fail the assessment must retake the same type of training until they pass; otherwise, in accordance with relevant laws, regulations, and Group policies, they will not be permitted to work on-site, ensuring that training outcomes are effectively implemented.

## 8. EMPOWERING EMPLOYEES



Sichuan Energy Investment Development conducted the 2025 Annual Employee Safety Knowledge Examination, covering more than 2,800 employees across the headquarters and all subsidiaries, achieving full participation. The examination content focused on safety-related laws and regulations as well as Group safety policies, adopting a combined format of closed-book and open-book assessments, with invigilation jointly conducted by the Safety and Environmental Protection Department and the Discipline Inspection Department. Through the strict implementation of reward and penalty mechanisms, we promote learning through assessment, strengthen employees' safety awareness, and consolidate the foundation for safe development.

During the Reporting Period, the Group invested a total of RMB4,435,478.32 in health and safety production resources, organised over 392,480 hours of health and safety training, with employee attendances exceeding 12,925. The total duration of health and safety training increased by approximately 9.48% year-on-year, fully reflecting the Group's strong commitment to employee health and safety.

### 8.3 EMPLOYEE TRAINING AND DEVELOPMENT

The Group adheres to the core value of being people-oriented and places emphasis on talent cultivation as a core priority in its human resources management. Through the establishment of a comprehensive training management system, the improvement of supporting policies, and the optimisation of talent development pathways, we encourage employees to continuously enhance their professional knowledge and vocational skills, contributing to the Group's high-quality development. In the future, we will further strengthen support for employees' professional growth and establish a more comprehensive training system to help employees achieve sustained breakthroughs and advancement in their careers.

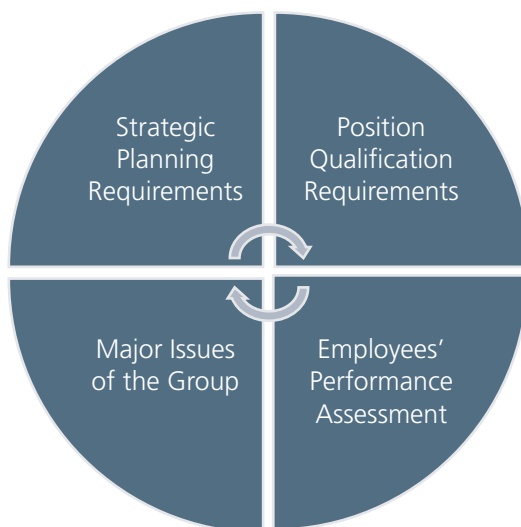
To ensure training quality and enhance the management of internal and external trainers, the Group has formulated the *Trainer Management Measures*, focusing on advancing the trainer team and improving the internal training system. These measures closely align with the Group's strategic development needs and aim to establish an integrated training framework encompassing the "curriculum system, lecturer system, and institutional system". The selection of trainers adheres to the principles of openness, fairness and impartiality, with a dynamic appointment mechanism. Additionally, a learning and exchange platform for internal trainers has been established, with regular seminars and other activities organised to continuously enhance the teaching quality and professional competence of internal trainers.



## 8. EMPOWERING EMPLOYEES

Furthermore, to standardise the management of employee education and training, and to promote the scientific, institutionalised and standardised development of education and training efforts, the Group has formulated the *Measures for the Administration of Training*. These measures clearly stipulate that training must adhere to four core principles: “teaching according to strategy and demand”, “all-staff training with tiered classification”, “value-oriented, performance improvement”, and “strengthening systems and promoting strict management”. They also provide detailed specifications on management responsibilities, training targets, training content and methods, planning and implementation, evaluation management, resource development, fund management, and training discipline.

Our training programmes mainly cover two categories: business training and occupational safety training. Each October, the Group’s Human Resources Department analyses the Group’s human resources strategic planning, conducts interviews with the Group’s senior management, department heads, and the human resources departments of subsidiaries, and requires each subsidiary to complete an *Annual Training Needs Assessment Form* to facilitate the development of the following year’s training plan. The four bases for the Group’s training needs analysis are as follows:



### 8.3.1 Business Training

We actively organise diversified professional training programmes, aiming to help employees continuously enhance their professional knowledge and vocational skills across all dimensions, achieving personal growth in alignment with the development of the enterprise. In addition to traditional offline training sessions, the Group leverages interactive live-streaming platforms to deliver comprehensive online courses, which not only facilitate flexible participation but also precisely match the learning needs of different roles. Through these training initiatives, we encourage employees to solidify their theoretical foundations, refine their professional skills, and continuously enhance their core job-related competitiveness, thereby creating greater value for the Group. In 2025, the Group’s total expenditure on employee education and development amounted to RMB6.002 million, representing a year-on-year increase of approximately 28.90%. These funds were dedicated to providing employees with various types of professional skills training.

## 8. EMPOWERING EMPLOYEES



The Group also conducted skill recognition and assessment for electrician technician and senior technician through online training. Candidates wrote professional essays based on their own occupations (job type) and related technical work, followed by remote live-streamed defence examinations.

Our training schemes cater to both new and existing employees, covering multiple categories including management, professional technical skills, operational training, safety education, continuing education, onboarding programmes, post-qualification academic education, human resources, financial literacy, and finance-specific training. Through these multifaceted knowledge and skill development initiatives, coupled with competency assessments, we are committed to comprehensively elevating employees' professional capabilities and fostering a workforce equipped with modern corporate management expertise and high-level specialisation. This robust talent development strategy will serve as a cornerstone for the Group's operational growth, strengthening its market competitiveness.



To facilitate the rapid integration of new employees into the enterprise and their proficient mastery of job-specific skills, the Group has developed dedicated onboarding training programmes. These programmes focus on the Group's core operations, job responsibilities and operational standards, with experienced internal business leaders invited to provide targeted instruction, continuously enhancing new employees' adaptability to their roles and their professional competence.

## 8. EMPOWERING EMPLOYEES

### 8.4 HUMAN RESOURCES PERFORMANCE

As of the end of 2025, the Group had a total of 2,669 employees and 100 dispatched workers. Our human resources performance is as follows:

#### NUMBER OF EMPLOYEES AND TURNOVER

Category		Number of employees (person)	Number of employee turnover (person)	Turnover rate <sup>12</sup> (percentage)
Gender	Male	2,106	63	2.99%
	Female	563	36	6.39%
Age Group	Under 35 years old	558	8	1.43%
	35–50 years old	1,131	22	1.95%
	Over 50 years old	980	69	7.04%
Employment type	Full-time contract	2,669		
	Dispatched workers	100		
Region	Chengdu, Sichuan Province	87	2	2.30%
	Yibin, Sichuan Province	2,555	97	3.80%
	Zhaotong, Yunnan Province	27	0	0.00%

#### NUMBER AND HOURS OF EMPLOYEE TRAINING

Category		Number of employees (person)	Number of trainees (person)	Average training hours <sup>13</sup> (hours)	Training rate <sup>14</sup> (percentage)
Gender	Male	2,106	1,953	39.13	92.74%
	Female	563	525	41.15	93.25%
Employee Category	Senior Management	79	79	48.83	100.00%
	Middle Management	385	381	50.80	98.96%
	General Employees	2,205	2,018	36.76	91.52%

<sup>12</sup> 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.

<sup>13</sup> The average training hours per employee are calculated as: the total training hours of employees in the category/the total number of employees in the category. As the training statistics for 2025 no longer include health and workplace safety training hours, the average training hours per employee decreased compared to those in 2024. In 2025, the total number of health and workplace safety training hours amounted to 392,480 hours.

<sup>14</sup> The calculation method of the percentage of employee training: the number of trained employees in the category/the total number of employees in the category.

## 9. CO-BENEFITING SOCIETY

The Group maintains robust business growth and deepens its focus on core operations while proactively assuming its corporate social responsibilities as a state-owned enterprise. Concentrating on key areas such as supporting vulnerable communities, addressing climate change, and safeguarding public health, the Group gives back to society through a range of practical and diversified initiatives. We deeply recognise that the long-term development of the enterprise is inseparable from social cohesion, and remain steadfast in our commitment to advancing sustainable development through concrete actions, fostering shared growth with all sectors of society. During the Reporting Period, the Group contributed a total of over RMB712,300 to public welfare initiatives and rural revitalisation efforts, representing a year-on-year increase of approximately 51.56%. This reflects the Group's commitment to fulfilling its social responsibilities through action and spreading care and warmth within the community.



Sichuan Energy Pingshan Electricity was honoured with the title of “Advanced Unit for the 2024 ‘Pillar Project’ and ‘Charity School Supply Parcels’ Initiative in Pingshan County”. Upholding its responsibilities as a state-owned enterprise, this subsidiary has established a long-term support mechanism, contributing over RMB 128,000 to assist students from disadvantaged backgrounds. At the same time, it regularly conducts “Power Classroom” sessions to promote electricity safety knowledge, and launches the “3” special initiative during the college entrance examination season. Through its professional services, the subsidiary helps build a solid foundation for students to pursue their dreams, injecting strong momentum into educational support efforts in Pingshan County.

### 9.1 ENSURING ELECTRICITY SUPPLY FOR PEAK POWER DEMAND IN SUMMER

During the summer flood season, Sichuan Province frequently experiences extreme weather events such as gusts, heavy rainfall, and thunderstorms, which can cause severe damage to power grid infrastructure, trigger large-scale outages, and pose significant challenges to electricity supply. In response, the Group has proactively planned and made meticulous arrangements, further refining prevention and control measures, strengthening accountability, and establishing the core objectives of “safeguarding public welfare, critical infrastructure, and operational safety”, to ensure the stable and orderly supply of electricity within its service areas.

Subsidiaries have closely monitored weather changes and grid load fluctuations, continuously enhancing load forecasting capabilities. Based on real-time data, they conduct risk analysis and supply-demand balance assessments, promptly optimising grid operation modes. In particular, Sichuan Energy Junlian Electricity established a dedicated Flood Prevention and Drought Relief Task Force, strictly standardising pre-flood power security efforts, further strengthening the dual prevention mechanism for safety risk control and hidden hazard management, and ensuring the safe passage of critical power equipment through the flood season.

The Group has developed specific dispatch measures and emergency plans for the “summer peak season”, overseen by the Peak Summer Power Supply Assurance Task Force. This task force convened multiple thematic meetings to conduct in-depth assessments of power supply and demand dynamics, ensuring that all measures are effectively implemented. Subsidiaries, taking into account their respective operational realities, have carried out comprehensive safety production inspections, achieving thorough identification and elimination of safety hazards, and strictly controlling all types of risks within manageable limits. Concurrently, the Group and its subsidiaries revised the overall emergency response plan for incidents, and issued the *Implementation Plan for Ensuring Stable Power Supply During the 2025 Summer Peak Period*, which sets out clear emergency response procedures to ensure rapid and efficient response in the event of sudden power supply disruptions.



## 9. CO-BENEFITING SOCIETY

To ensure the safe and stable operation of power grid facilities during the summer peak period, the Group established the Power Supply Assurance Leading Group for the Summer Peak Season, headed by members of the executive management team. Several specialised working groups were formed under its guidance to coordinate and systematically carry out various supply assurance tasks. During this period, the relevant working groups conducted supervision of safety production and potential hazard inspections and rectifications, oversaw the construction and commissioning of key power supply projects, and performed maintenance, inspection, and defect elimination of power grid operating equipment. For issues identified during inspections, the Group specified detailed rectification measures and rectification time limits, followed up and supervised the full implementation of rectification work, and comprehensively built a robust defence line for the safe operation of the power grid.

### 9.2 POWER SUPPLY ASSURANCE FOR EXAMINATIONS, SCHOOL OPENINGS, AND HOLIDAYS

To address peak electricity demand during holidays, school openings, and examination periods, we implemented comprehensive arrangements during the year to ensure stable power supply for critical facilities and surrounding residential areas. To mitigate potential outage risks during periods of high demand or examinations, subsidiaries proactively formulated internal policies such as the *2025 Emergency Response Plan for Incidents During the National College Entrance Examination* and the *2025 Emergency Power Supply Plan for the National College Entrance Examination*.



During the Labour Day holiday, Sichuan Energy Xuzhou Electricity implemented a range of measures to carry out power supply assurance work. Plans were deployed in advance, adopting a model combining “online consultation + on-site service + remote monitoring”, and 13 emergency repair teams were placed on standby. During the holiday period, a total of 119 power assurance personnel and 22 vehicles were deployed, with over 92 special patrols conducted, 16 hidden hazards rectified, and “zero outages” achieved for transmission and distribution lines, ensuring stable electricity supply for residential use and cultural tourism activities.

These plans focus on ensuring power supply security during critical moments, enabling rapid response and efficient handling in emergency situations, and making every effort to guarantee normal electricity consumption for residents. Concurrently, the Group scientifically developed preventive maintenance and outage schedules for substations, ensuring that while necessary equipment maintenance and repairs are carried out, the impact on power supply is minimised, thereby providing stable and reliable power assurance for residents and ensuring uninterrupted electricity supply during holidays and important examinations such as the National College Entrance Examination and Secondary School Entrance Examination.

### 9.3 EMPOWERING SMALL AND MICRO ENTERPRISES WITH UNINTERRUPTED POWER SUPPLY

The Group remains steadfast in delivering premium power supply services to support the high-quality development of small and micro enterprises, thoroughly implementing the “Three Zero” service policy of “zero site visit, zero approval, and zero investment”. Focusing on the electricity needs of small and micro enterprises, we provide efficient and convenient power connection services and tangible burden-reducing measures, injecting power momentum into their development and effectively addressing challenges related to expensive and difficult electricity access, thereby fulfilling our mission as a state-owned enterprise with responsibility and commitment.

Sichuan Energy Pingshan Electricity, the Group’s subsidiary, has actively implemented the “Three Zero” service requirements, taking concrete actions to alleviate difficulties for small and micro enterprises. Its high-quality and efficient services have been highly recognised and affirmed by local enterprises. On 22 January 2025, a representative from Pingshan Zezhang Trading Co., Ltd. presented a banner inscribed with “Power Pioneers Embody Responsibility, Strong Support for Enterprise Growth” to the Chengguan Power Supply Station of Pingshan Electric Power, sincerely expressing gratitude for the convenience and benefits brought to the enterprise by the “Three Zero” services. The representative remarked, “We are truly grateful! We never thought the policy would be this supportive. We actually got our company’s electricity installed completely free of charge!”



Pingshan County Zezhang Trading Co., Ltd has seen a surge in electricity demand due to its rapid business expansion. The company recently applied for an additional load of 40 kilowatts. Upon receiving the capacity expansion application from this small and micro enterprise, the Chengguan Power Supply Station of Pingshan Electric Power promptly organised staff to conduct on-site assessments, proactively learning about the enterprise’s development plans, production capacity, and electricity usage, while also providing thoughtful energy-saving recommendations. These efforts effectively reduced the enterprise’s electricity costs and operational pressures, providing solid power assurance for its stable development. Looking ahead, Pingshan Electric Power will continue to deepen its “Three Zero” services, further improving power connection efficiency and optimising service quality to create a more convenient experience for enterprises, ensuring they feel secure and at ease with their electricity supply. Through concrete actions, it will steadfastly serve as the power “vanguard” for local economic development, supporting the sustained growth of small and micro enterprises and fostering mutual development between enterprises and society.



## 9. CO-BENEFITING SOCIETY

### 9.4 CARING FOR THE COMMUNITY

The Group remains dedicated to addressing community needs and fostering development through systematic outreach initiatives. In 2025, we allocated substantial resources to implement diverse community care programmes, including volunteer services and household visits, building strong relationships with residents and prioritising the welfare of vulnerable groups to contribute meaningfully to societal progress.

Our activities encompassed multifaceted support: providing daily assistance to elderly individuals living alone, addressing poverty-stricken households' needs, and organising health workshops and cultural exchange events to enhance residents' quality of life and well-being. Additionally, we encouraged employee participation in community service, enabling more people to understand local challenges and collectively work towards improving community environments and residents' lives.



On the occasion of the 54th World Environment Day, the Youth League Branch of Sichuan Energy Pingshan Electricity organised young league members to carry out a themed environmental protection activity entitled "Together with Me, Protecting Our Mother River" along the Minjiang River. Armed with cleaning tools, the members conducted a thorough cleanup along both banks of the Minjiang River, focusing on hidden sanitary blind spots. After two hours of collaborative effort, they collected over 40 jin (approximately 20 kg) of waste, improving the riverbank environment. This activity embodied environmental protection concepts, contributed to ecological preservation in the upper reaches of the Yangtze River, and demonstrated the Company's commitment to ecological protection and community responsibility through youth volunteer actions.

In September 2025, coinciding with the China Charity Day, the Youth League Committee of Sichuan Energy Investment Development and Construction organised young volunteers to participate in a charity market event hosted by the Yibin Civil Affairs Bureau. The event featured various service areas, including policy consultation, community services, and dental clinics, where volunteers explained policies to military personnel and persons with disabilities, provided free haircuts for the elderly, assisted with oral health check-ups, and organised interactive sessions to promote patriotic spirit. The event served over 100 residents, effectively addressing practical needs, promoting a culture of charity, and fulfilling the Company's commitment to public welfare.



## 9. CO-BENEFITING SOCIETY

Seizing the opportunity of the "Safety Production Month" campaign, Sichuan Energy Gong County Electricity visited Yangcha Village Primary School in Luodu Township to conduct a "Safe Electricity in Schools" themed class activity. Through engaging formats such as PowerPoint presentations, demonstrations on electric shock first aid, and interactive Q&A sessions, the Company's Party member volunteers educated students on safe electricity practices, highlighted risky behaviours, and encouraged the development of scientific electricity-saving habits. They also distributed safe electricity manuals and branded stationery. This initiative not only strengthened the school's ability to prevent electricity-related risks but also extended its impact to families and society through the "small hands holding big hands" approach, contributing to community-wide safe electricity practices.



To ensure business activities consistently prioritise societal interests, the Group pledges to formulate corresponding arrangements and plans that guarantee orderly and impactful support initiatives. In fulfilling this commitment, subsidiaries actively engage in rural revitalisation programmes. We deploy resident cadres to monitor poverty recurrence risks among uplifted households and implement targeted support actions to stimulate local economic development and income growth. These measures are designed to tangibly improve living standards and drive holistic social progress, reflecting the Group's dedication to corporate social responsibility. We remain committed to contributing to societal development and prosperity.



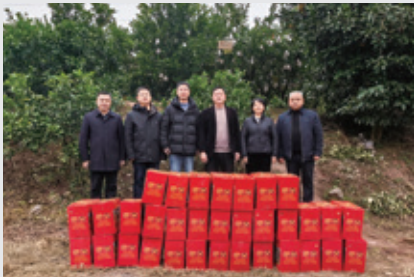
In response to the national call for greening and in support of rural revitalisation, Sichuan Energy Xingwen Electricity organised more than 30 Party member and youth league volunteers to participate in a voluntary tree-planting activity in Lewang Village, Qilin Miao Township, Xingwen County — a village under Sichuan Energy Xingwen Electricity's paired assistance programme — ahead of Arbor Day, in collaboration with village officials and residents. By aligning the initiative with local industrial development realities, the team planted over 500 economic trees, such as oil-tea camellia, integrating greening efforts with income generation. This initiative not only improved the local ecological environment but also contributed to consolidating poverty alleviation achievements, fulfilling the Company's corporate social responsibility, and deepening its ties with the community.



## 9. CO-BENEFITING SOCIETY



Guided by Party-building principles and in response to directives from higher authorities, the Party Committee of Sichuan Energy Junlian Electricity launched a special spring ploughing power assurance campaign starting 20 February 2025. The Company established a dedicated Party member service team and formed a Party member vanguard unit, conducting comprehensive hazard inspections of power equipment in the fields while simultaneously strengthening equipment load monitoring. Free inspections of agricultural irrigation power facilities were provided to residents, and “field classes” were used to promote safe electricity knowledge. This initiative provided a solid foundation for spring ploughing electricity security, supported the smooth execution of spring agricultural activities, and fulfilled the Company’s public welfare responsibility of serving rural communities and ensuring people’s livelihoods.



During its collaboration with the client Yibin High-Tech Investment Group Co., Ltd., Sichuan Energy Investment Development and Construction learned that Wenguang Village in Shuangyi Town, Cuiping District, Yibin City — a village supported by Gaotou Group’s industrial assistance programme — was facing unsold bumper harvests of a citrus fruit variety known locally as “*papa gan*”. Sichuan Energy Investment Development and Construction promptly fulfilled its corporate social responsibility as a state-owned enterprise, working with Gaotou Group to formulate an assistance plan. The relevant manager from Sichuan Energy Investment Development and Construction visited the planting site, engaged in detailed discussions with the farmers, and organised a collective purchase initiative among employees. A total of 1,300 jin (approximately 650 kg) of *papa gan* was purchased, with over 90 employees actively participating, effectively alleviating the sales pressure on the farmers. This agricultural assistance initiative not only provided targeted support to farmers and contributed to rural revitalisation, but also strengthened collaboration with its partner organisation.

# 10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Mandatory Disclosure Requirements	Descriptions	Relevant section and remarks
Governance Structure	<p>A statement from the board containing the following elements:</p> <ul style="list-style-type: none"> <li>(i) a disclosure of the board’s oversight of ESG issues;</li> <li>(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</li> <li>(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.</li> </ul>	<p>5. Sustainable Development Management</p> <p>5.1 ESG Governance Structure</p> <p>5.2 ESG Risk Management</p> <p>5.3 ESG Targets</p>
Reporting Principles	<p>A description of, or an explanation on, the application of the Reporting Principles of Materiality, Quantitative, and Consistency in the preparation of the ESG report.</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

Aspects	KPIs	Descriptions	Relevant section and remarks
<b>A. Environment</b>			
A1 Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	7. Green Practices 7.2 Environmental Protection Management 7.3 Energy Conservation and Emissions Reduction
	A1.1	The types of emissions and respective emissions data.	7.3.3 Emission Management 7.6 Environmental Performance
	A1.2	Repealed 1 January 2025	—
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	7.6 Environmental Performance
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
	A1.5	Description of the emission targets set and the steps taken to achieve them.	5.3 ESG Targets 7.3 Energy Conservation and Emissions Reduction
	A1.6	Description of how hazardous and non-hazardous wastes are handled and description of the emission targets set and the steps taken to achieve them.	5.3 ESG Targets 7.3.3 Emission Management

## 10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Aspects	KPIs	Descriptions	Relevant section and remarks
A2 Use of resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	7. Green Practices 7.2 Environmental Protection Management 7.3 Energy Conservation and Emissions Reduction
	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).	7.6 Environmental Performance
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	
	A2.3	Description of energy use efficiency targets set and the steps taken to achieve them.	5.3 ESG Targets 7.3 Energy Conservation and Emissions Reduction 7.5 Clean Energy Development
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, the water use efficiency targets set, and the steps taken to achieve them.	5.3 ESG Targets 7.3.1 Resources Conservation
	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.
A3 The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	7. Green Practices
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	7.3 Energy Conservation and Emissions Reduction 7.5 Clean Energy Development

## 10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Aspects	KPIs	Descriptions	Relevant section and remarks
<b>B. Social</b>			
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.	8.1 Human Resources Management 8.1.1 Recruitment and Dismissal 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 (for example, full- or part-time), age group and geographical region.	8.4 Human Resources Performance
	B1.2	Employee turnover rate by gender, age group and geographical region.	
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 Occupational Health and Safety
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	
	B2.2	Lost days due to work injury.	
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	8.2 Occupational Health and Safety 8.2.1 Occupational Safety Training

## 10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Aspects	KPIs	Descriptions	Relevant section and remarks
B3 Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	8.3 Employee Training and 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.	
B4 Labor Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	8.1 Human Resources Management 8.1.1 Recruitment and Dismissal
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	
	B4.2	Description of steps taken to eliminate such practices when discovered.	
B5 Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	6.3 Supplier Management
	B5.1	Number of suppliers by geographical region.	
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	



## 10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Aspects	KPIs	Descriptions	Relevant section and remarks
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	
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 6.1.1 Safe Power Supply 6.1.2 Customer Service The Group's business does not involve advertising or labelling; therefore, it does not have any information regarding related policies, laws, or regulations.
	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.	6.1.4 Maintenance and Protection of Intellectual Property Rights
	B6.4	Description of quality assurance process and recall procedures.	6.1.1 Safe Power Supply Recalling procedures do not apply to the Group's business.
	B6.5	Description of consumer data protection and privacy policies, and 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

Aspects	KPIs	Descriptions	Relevant section and remarks
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.	6.4 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.	
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	
	B7.3	Description of anti-corruption training provided to directors and staff.	
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. Co-benefiting society
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	9.1 Ensuring Electricity Supply for Peak Power Demand in Summer
	B8.2	Resources contributed (e.g. money or time) to the focus area.	9.2 Power Supply Assurance for Examinations, School Openings, And Holidays 9.3 Empowering Small and Micro Enterprises with Uninterrupted Power Supply 9.4 Caring for the Community



## 10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Part D: "Comply or explain" Provisions Climate-related Disclosures	Relevant section and remarks
<b>(I). Governance</b>	
19. An issuer shall disclose information about:	7.4.1 Governance
the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about:	<p>The Group regularly reviews the knowledge and training status of the Board of Directors and senior management in respect of climate-related risk and opportunity management, so as to assess whether they possess the requisite skills and competencies for overseeing climate-related strategies. During the Reporting Period, the Group engaged an independent third-party professional consultant to deliver dedicated training on climate-related governance to the Board of Directors and senior management, with a view to deepening their understanding of climate-related risks and opportunities and enhancing their ability to make effective decisions on, and exercise oversight of, climate-related matters.</p>
(i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	
(ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	
(iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	
(iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35); and	
(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	
(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	
(ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	

## 10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Part D: “Comply or explain” Provisions Climate-related Disclosures	Relevant section and remarks
<b>(II). Strategy</b>	
<b>Climate-related risks and opportunities</b>	
20. An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer’s cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:	7.4.2 Strategy
(a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer’s cash flows, its access to finance or cost of capital over the short, medium or long term;	
(b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	
(c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons — short, medium or long term — the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	
(d) explain how the issuer defines “short term”, “medium term” and “long term” and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	
<b>Business model and value chain</b>	
21. An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer’s business model and value chain. Specifically, the issuer shall disclose:	7.4.2 Strategy
(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer’s business model and value chain; and	
(b) a description of where in the issuer’s business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	



## 10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Part D: "Comply or explain" Provisions Climate-related Disclosures	Relevant section and remarks
<b>Strategy and decision-making</b>	
22. An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:	7.4.2 Strategy 5.3 ESG Targets 7.3 Energy Conservation and Emissions Reduction
(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about:	
(i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities;	
(ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect);	
(iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and	
(iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and	
(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	
23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	Not applicable. As the Reporting Period represents the first occasion on which the Group has made disclosures pursuant to the requirements of paragraph 22(a), there is no progress in respect of the relevant plans in previous reporting periods available for reporting.

## 10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Part D: "Comply or explain" Provisions Climate-related Disclosures		Relevant section and remarks
<b>Financial position, financial performance and cash flows</b>		
<b>Current financial effect</b>		
24. An issuer shall disclose qualitative and quantitative information about:		7.4.2 Strategy
(a)	how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and	The Group has disclosed the qualitative financial impacts of the significant climate-related risks and opportunities identified for the Reporting Period. With respect to the quantitative financial impacts, the Group will provide more comprehensive disclosures once the relevant quantified data have been further developed and refined.
(b)	the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	
<b>Anticipated financial effect</b>		
25. The issuer shall provide qualitative and quantitative disclosures about:		The Group has currently identified material climate risks and opportunities. As the relevant quantitative financial data is not yet fully prepared as of the reporting date, only reasonably available information is available at this stage, and qualitative disclosure has been made in accordance with the reasonable information relief. The Company will continue to improve its current and expected financial impact disclosures.
(a)	how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	
	(i) its investment and disposal plans; and	
	(ii) its planned sources of funding to implement its strategy; and	
(b)	how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	



## 10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Part D: “Comply or explain” Provisions Climate-related Disclosures	Relevant section and remarks
<b>Climate resilience</b>	
<p>26. An issuer shall disclose information that enables an understanding of the resilience of the issuer’s strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer’s identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer’s circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose:</p>	7.4.2 Strategy
<p>(a) the issuer’s assessment of its climate resilience as at the reporting date, which shall enable an understanding of:</p>	
<p>(i) the implications, if any, of the issuer’s assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis;</p>	
<p>(ii) the significant areas of uncertainty considered in the issuer’s assessment of its climate resilience; and</p>	
<p>(iii) the issuer’s capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;</p>	
<p>(b) how and when the climate-related scenario analysis was carried out, including:</p>	
<p>(i) information about the inputs used, including:</p> <ol style="list-style-type: none"> <li>(1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios;</li> <li>(2) whether the analysis included a diverse range of climate-related scenarios;</li> <li>(3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks;</li> <li>(4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change;</li> <li>(5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties;</li> <li>(6) time horizons the issuer used in the analysis; and</li> <li>(7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis);</li> </ol>	

## 10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Part D: “Comply or explain” Provisions Climate-related Disclosures		Relevant section and remarks
(ii) the key assumptions the issuer made in the analysis; and		
(iii) the reporting period in which the climate-related scenario analysis was carried out.		
<b>(III). Risk Management</b>		
27. An issuer shall disclose information about:		7.4.3 Risk Management
(a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about:		
(i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);		
(ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks;		
(iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria);		
(iv) whether and how the issuer prioritises climate-related risks relative to other types of risks;		
(v) how the issuer monitors climate-related risks; and		
(vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;		
(b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and		
(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer’s overall risk management process.		



## 10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Part D: “Comply or explain” Provisions Climate-related Disclosures	Relevant section and remarks
<b>(IV). Metrics and Targets</b>	
<b>Greenhouse gas (GHG) emissions</b>	
28. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO <sub>2</sub> equivalent, classified as:	7.4.4 Metrics and Targets 7.6 Environmental Performance
(a) Scope 1 greenhouse gas emissions;	
(b) Scope 2 greenhouse gas emissions; and	
(c) Scope 3 greenhouse gas emissions.	
29. An issuer shall:	7.4.4 Metrics and Targets 7.6 Environmental Performance
(a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	
(b) disclose the approach it uses to measure its greenhouse gas emissions including: <ul style="list-style-type: none"> <li data-bbox="245 1198 1040 1274">(i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions;</li> <li data-bbox="245 1274 1040 1397">(ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and</li> <li data-bbox="245 1397 1040 1522">(iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;</li> </ul>	
(c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer’s Scope 2 greenhouse gas emissions; and	
(d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer’s measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	

## 10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Part D: “Comply or explain” Provisions Climate-related Disclosures	Relevant section and remarks			
<b>Climate-related transition risks</b>	The Group has currently identified material climate-related transition and physical risks, along with material climate-related opportunities. As the relevant quantitative financial data is not yet fully prepared as of the reporting date, only reasonably available information is available at this stage, and qualitative disclosure has been made in accordance with the reasonable information relief. The Company will continue to improve its current and expected financial impact disclosures.			
30. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.				
<b>Climate-related physical risks</b>				
31. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.				
<b>Climate-related opportunities</b>	The Group has not yet adopted an internal carbon pricing mechanism, primarily because the coverage of the domestic carbon market and the applicable industry rules are still being refined. The Group is continuously monitoring policy developments and industry practices, and is assessing the feasibility of introducing a carbon pricing mechanism.			
32. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.				
<b>Capital deployment</b>				
33. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.		7.2 Environmental Protection Management		
<b>Internal carbon prices</b>	The Group has not yet adopted an internal carbon pricing mechanism, primarily because the coverage of the domestic carbon market and the applicable industry rules are still being refined. The Group is continuously monitoring policy developments and industry practices, and is assessing the feasibility of introducing a carbon pricing mechanism.			
34. An issuer shall disclose:				
<table border="0"> <tr> <td data-bbox="162 1231 226 1360">(a)</td> <td data-bbox="226 1231 1038 1360">an explanation of whether and how the issuer is applying a carbon price in decision making (for example, investment decisions, transfer pricing, and scenario analysis); and</td> </tr> <tr> <td data-bbox="162 1360 226 1586">(b)</td> <td data-bbox="226 1360 1038 1586">the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.</td> </tr> </table>		(a)	an explanation of whether and how the issuer is applying a carbon price in decision making (for example, investment decisions, transfer pricing, and scenario analysis); and	(b)
(a)	an explanation of whether and how the issuer is applying a carbon price in decision making (for example, investment decisions, transfer pricing, and scenario analysis); and			
(b)	the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.			
<b>Remuneration</b>	Climate-related factors have not yet been incorporated into the remuneration policy, and the feasibility of including relevant indicators will be assessed in the future.			
35. An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a) (iv).				



## 10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Part D: "Comply or explain" Provisions Climate-related Disclosures	Relevant section and remarks
<b>Industry-based metrics</b>	
<p>36. An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.</p>	7.6 Environmental Performance
<b>Climate-related targets</b>	
<p>37. An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:</p>	<p>The Group has established climate-related qualitative targets and has disclosed its current action plans. In the future, it will further assess the feasibility of developing climate-related quantitative targets to continuously strengthen climate performance management.</p>
(a) the metric used to set the target;	
(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	
(c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region);	
(d) the period over which the target applies;	
(e) the base period from which progress is measured;	
(f) milestones or interim targets (if any);	
(g) if the target is quantitative, whether the target is an absolute target or an intensity target; and	
(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	

## 10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Part D: “Comply or explain” Provisions Climate-related Disclosures	Relevant section and remarks
38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	7.4.4 Metrics and Targets
(a) whether the target and the methodology for setting the target has been validated by a third party;	
(b) the issuer’s processes for reviewing the target;	
(c) the metrics used to monitor progress towards reaching the target; and	
(d) any revisions to the target and an explanation for those revisions.	
39. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer’s performance.	7.4.4 Metrics and Targets
40. For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose:	7.6 Environmental Performance The Group has established climate-related qualitative targets and has disclosed its current action plans. In the future, it will further assess the feasibility of developing climate-related quantitative targets to continuously strengthen climate performance management.
(a) which greenhouse gases are covered by the target;	
(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;	
(c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target;	
(d) whether the target was derived using a sectoral decarbonisation approach; and	



## 10. CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Part D: "Comply or explain" Provisions Climate-related Disclosures		Relevant section and remarks
(e)	<p>the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose:</p> <ul style="list-style-type: none"> <li>(i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;</li> <li>(ii) which third-party scheme(s) will verify or certify the carbon credits;</li> <li>(iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and</li> <li>(iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).</li> </ul>	The Group has not yet purchased or used any carbon credits to achieve greenhouse gas emission reductions or net-zero targets.
<b>Applicability of cross-industry metrics and industry-based metrics</b>		
41.	In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	
Not applicable.		