



中國廣核新能
源控股有限公司
CGN New Energy Holdings Co., Ltd.

(Incorporated in Bermuda with limited liability) (於百慕達註冊成立的有限公司)
Stock Code 股份代號 : 1811.HK



善用自然的能量
Natural Energy Powering Nature

2023
ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT
環境、社會及管治報告

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01 Definition

In the Report, unless the context otherwise requires, the following terms shall have the meanings set out below:

"CGN"	refers to	China General Nuclear Power Corporation, a state-owned enterprise established in China and the controlling shareholder of the Company
"China"	refers to	the People's Republic of China, but for the purposes of this report and for geographical reference only and except when the context requires, references in this report to China do not include Hong Kong of the PRC, the Macau Special Administrative Region of the PRC and Taiwan region of the PRC
"ECP"	refers to	e-Commerce Platform
"EHS"	refers to	Environmental Health and Safety
"ESG"	refers to	Environmental, Social and Governance
"Hong Kong"	refers to	the Hong Kong Special Administrative Region of the People's Republic of China
"Insurances and Housing Fund"	refers to	the social endowment insurance, urban employee medical insurance, work-related injury insurance, maternity insurance, and unemployment insurance as well as housing provident fund in China
"Korea"	refers to	the Republic of Korea
"Listing Rules"	refers to	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
"Mainland China"	refers to	the mainland of the People's Republic of China
"MPF"	refers to	the Mandatory Provident Fund in Hong Kong
"National Pension"	refers to	the National Pension in Korea
"OHS"	refers to	Occupational Health and Safety
"Report"	refers to	2023 ESG report of the Company
"Reporting Period"	refers to	the period from 1 January 2023 to 31 December 2023
"RMB"	refers to	Renminbi, the lawful currency of the People's Republic of China
"Safety Committee"	refers to	the Safety, Quality and Environmental Management Committee
"Stock Exchange"	refers to	The Stock Exchange of Hong Kong Limited
"TCFD"	refers to	the Task Force on Climate-Related Financial Disclosures
"the 14th Five-Year Plan", "the 14th Five-Year"	refers to	the 14th Five-Year Plan for Economic and Social Development of the People's Republic of China and the Long-Range Objectives Through the Year 2035
"Party"	refers to	the Communist Party of China
"20th National Congress"	refers to	the 20th National Congress of the Communist Party of China
"SASAC"	refers to	the State-owned Assets Supervision and Administration Commission
"Central Enterprise(s)"	refers to	the Chinese Central State-owned Enterprise(s)
"Dual Carbon"	refers to	the Carbon Peaking, Carbon Neutrality
"the Board"	refers to	the board of directors of the Company
"the Company", "CGN New Energy", "our", "us", "we"	refers to	CGN New Energy Holdings Co., Ltd
"the Group"	refers to	the Company and its subsidiaries from time to time
"US\$"	refers to	the United States dollar, the lawful currency of the United States of America
"%"	refers to	per cent

02 About the Report

The Company is delighted to publish its 8th ESG report. The Report aims to present the ESG issues related to the sustainable development of the Group to its key stakeholders to better inform them about the Group's concept, actions, and related performance of sustainable development.

REPORTING PERIOD AND BOUNDARY

Unless otherwise specified, the Report mainly describes the specific policies and performance of the Group's efforts in sustainable development during the period from 1 January 2023 to 31 December 2023. For the sake of continuity and comparability of the Report, some data and contents in the Report have been extended as needed. For details on data, please refer to the "Comprehensive Performance" in the Report.

The main contents of the Report cover the Group's wind, solar, gas-fired, coal-fired, oil-fired, hydro, cogeneration, fuel cell, and biomass projects in China and Korea. Contents of the Report are mainly based on and determined through the materiality assessment. Please refer to the chapter headed "Stakeholder Engagement and Materiality Assessment" for details of the process.

REPORTING STANDARD

The Report is prepared in accordance with the *ESG Reporting Guide* under Appendix C2 to the *Listing Rules* and *GRI Sustainability Reporting Standards*, and is also prepared with reference to the *ESG Special Report Reference Template for Listed Companies Holding Central Enterprises* and the *ESG Special Report Reference Index System for Listed Companies Holding Central Enterprises* issued by SASAC of the State Council. It is written on the basis of the four reporting principles of the *ESG Reporting Guide*, namely, materiality, quantitative, balance and consistency, and eight reporting principles in *GRI Sustainability Reporting Standards*: accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability.

Four reporting principles in the *ESG Reporting Guide* is applied as follows:

- **Materiality:** The Group identifies material issues related to the Group through materiality assessment, and focuses on the material issues checked by the Group's management and the Board in this Report. The Group uses the materiality assessment to identify the key stakeholders of the Group, invites the Board and stakeholders to prioritize sustainable development issues, carries out an analysis of material issues, etc. Please refer to the chapter headed "Materiality Assessment" for details of the materiality assessment.
- **Quantitative:** To comprehensively evaluate the ESG performance of the Group during the Reporting Period, the Group disclosed the KPIs applicable in the *ESG Reporting Guide* under Appendix C2 to the Listing Rules, and listed the standards, approaches, assumptions and reference basis for calculation of quantitative KPIs, including the sources of main conversion factors.
- **Balance:** The Report provides an unbiased picture of the Group's performance and avoids selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader.
- **Consistency:** The Report uses consistent methodologies to allow for meaningful comparisons of the ESG information in respect of the Reporting Period.

CONFIRMATION AND APPROVAL

The contents disclosed in the Report follow the ESG disclosure requirements of mandatory disclosure and "Comply or Explain" provisions in the *ESG Reporting Guide* under Appendix C2 to the Listing Rules. The Report was approved by the Board in March 2024. The Board and all the directors of the Company warrant that there are no false records, misleading statements, or material omissions in the Report, and they shall individually and collectively accept full responsibility for the truthfulness, accuracy and completeness of its contents.

REPORT ACQUISITION AND FEEDBACK

The online version of the Report is published on the Stock Exchange's website (www.hkexnews.hk) and the Company's website (www.cgnne.com).

If you have any enquiries, comments, or feedback on the Report, please feel free to send an email to cgnne@wsfg.hk.

03 Chairman's Statement



Zhang Zhiwu

Secretary of the Communist Party Committee,
Chairman and Executive Director

The year 2023 marks the full implementation of the spirit outlined in the 20th National Congress of the Party, and serves as a pivotal year in achieving the goals set forth in the 14th Five-Year Plan. The 14th Five-Year Plan represents a crucial phase for the high-quality development of the new energy industry. In order to ensure its sustainability, China has introduced a series of policies aimed at guiding the development direction of the industry. As a responsible Central Enterprise, CGN New Energy actively responds to national policies, deepens reform and innovation, upholds the principles of high-quality development, and continues to contribute to the sustainable development of the new energy industry and society.

To respond the spirit of the 20th National Congress of the CPC Central Committee and the goals of the 14th Five-Year Plan, CGN New Energy remains steadfast in its commitment to delivering clean and renewable energy and integrates the principles of sustainable development into our corporate strategy within the power industry. We provide a stable, clean, and renewable electricity supply while also creating more value for society. Our focus lies in providing a reliable, clean, and renewable electricity supply, while simultaneously generating greater societal value. The ESG report, serving as our annual summary of sustainable development, addresses the expectations and needs of stakeholders regarding the Group's sustainability efforts. It serves as a comprehensive reflection of our strong emphasis on sustainable development, as well as our vision and dedication to a sustainable future.

03 Chairman's Statement



In 2023, the Company remains fully aligned with the national "Dual Carbon" goals and keeps abreast of the latest policy developments, actively responding to the strategic direction of national development. Leveraging our industry advantage, we intensify our efforts in the new energy sector. The Company was deeply aware of the situation facing the new energy industry and endeavoured to seize the opportunity of industry development. The Company adhered to the basic principles of "Safety First, Quality Foremost and Pursuing Excellence", carried forward the work style of "Stringency, Prudence, Meticulousness and Pragmatism", and strictly abode by the principles of lawfulness, compliance, and integrity to ensure the Company's high-quality development. As a centralized enterprise, the Company maintains high standards of integrity and ethics, continually improving its internal governance system. In 2023, guided by General Secretary Xi Jinping's important statement on the Thought on Socialism with Chinese Characteristics for a New Era, the Company implements the spirit of the 20th National Congress of the Communist Party of China, adheres to the leadership of the Party and continuously strengthens internal risk management and integrity construction. To cultivate a culture of integrity and ethics within the enterprise, the Group conducts regular integrity training and promotes the implementation of institutional policies to ensure that the culture of integrity is embedded in the development of every employee in CGN New Energy.

Looking forward to 2024, the Group remains steadfast in its commitment to the mission of "Developing clean energy and Building a Beautiful China", the Group will actively seize development opportunities, embrace market competition, and surmount difficulties and challenges. Concurrently, the Group will persist in adhering to the principles of sustainable development, strengthening the innovation capacity in new energy science and technology, reinforcing safety measures in production operations, and fully leveraging the role of Central Enterprises in driving "scientific and technological innovation, industrial control, and safety support", thereby supporting the realization of the national "Dual Carbon" strategy.

Zhang Zhiwu
*Secretary of the Communist Party Committee,
Chairman, and Executive Director*

March 26, 2024

04 President's Statement

Li Guangming

President and Executive Director



Sustainable development is crucial for enterprises to achieve long-term and high-quality growth. CGN New Energy has consistently integrated the principle of sustainable development into its operation. The company unwaveringly upholds the values of green development, a people-oriented approach, and scientific and technological innovation. By continuously enhancing its core competitiveness and sustainable development capabilities, CGN New Energy takes the lead in driving the sustainable development of the new energy industry.

Amidst the global energy transition, CGN New Energy has proactively capitalized on opportunities to develop new energy projects and drive the growth of green energy. While pursuing new energy initiatives, we prioritize environmental protection as our guiding principle. Our approach encompasses adhering to environmental standards throughout site selection, construction, and operation phases, and integrating green construction elements into project design. In our day-to-day operations, we continually enhance our environmental management system, strengthen emission monitoring, promote resource conservation, and actively engage in ecological environmental protection and climate change response efforts. Through these actions, we actively contribute to the green and low-carbon transformation of the economy and society while playing a significant role in the construction of a clean and beautiful world.

04 President's Statement



CGN New Energy not only adheres to the principles of green development but also actively fulfills its social responsibilities in various aspects, including employee welfare, technological innovation, and public welfare. With a people-oriented approach and the guiding principles of "Safety First, Quality Foremost, Pursuing Excellence," the company places great importance on production safety and cultivates a working culture characterized by "Stringency, Prudence, Meticulousness, and Pragmatism". CGN New Energy strives for coordinated high-quality development and elevated safety standards by comprehensively upgrading safety, quality, and environmental management practices. Talent management is a key focus, as the company seeks to attract and nurture skilled individuals who contribute to corporate development and foster a healthy organizational culture. In terms of technological innovation, CGN New Energy implements an innovation-driven development strategy, continuously enhancing its capabilities in this area and leading high-quality development through technological advancements. Moreover, CGN New Energy actively responds to national strategies, promotes high-quality rural revitalization and educational assistance and other tasks, and contributes to the construction of "Beautiful China". The Group also actively engages in public welfare and disaster relief efforts, leveraging its position as a centralized enterprise to support sustainable development of society.

Looking ahead, the Group will steadfastly uphold its corporate social responsibilities, advance sustainable development, and strive to become a premier new energy enterprise. We will persist in publishing ESG reports, continually enhancing their content to align with the expectations and demands of our key stakeholders. These reports will provide comprehensive disclosure of our governance systems, environmental protection efforts, employee relations, and community contributions. By transparently sharing our current status, accomplishments, and future plans in these areas, we aim to effectively engage with and meet the needs of our key stakeholders.

Li Guangming
President and Executive Director

March 26, 2024

05 Distribution of Projects



Henan, China	Total Installed Capacity	Guizhou, China	Total Installed Capacity
	663.6 MW 5.7 MW		170 MW
Gansu, China	Total Installed Capacity	Guangxi, China	Total Installed Capacity
	1,043 MW 121 MW		195.9 MW 80 MW 18 MW
Qinghai, China	Total Installed Capacity	Jiangxi, China	Total Installed Capacity
	200 MW 160 MW		177.8 MW
Sichuan, China	Total Installed Capacity	Inner Mongolia, China	Total Installed Capacity
	51 MW		10 MW 193 MW
Hunan, China	Total Installed Capacity	Shaanxi, China	Total Installed Capacity
	245.2 MW 9.8 MW		0.7 MW
Heilongjiang, China	Total Installed Capacity		
	100 MW		

05 Distribution of Projects



Guangdong, China

Total Installed Capacity



16.4 MW

Hainan, China

Total Installed Capacity



124.3 MW

Shanxi, China

Total Installed Capacity



199 MW

Hebei, China

Total Installed Capacity



104.6 MW



10 MW

Shandong, China

Total Installed Capacity



567.6 MW



35 MW

Jiangsu, China

Total Installed Capacity



554 MW



231 MW



63 MW

Shanghai, China

Total Installed Capacity



4.5 MW

Anhui, China

Total Installed Capacity



66.2 MW



394.6 MW

Zhejiang, China

Total Installed Capacity



404.2 MW



137.6 MW

Hubei, China

Total Installed Capacity



24 MW



100 MW



251.5 MW

(associates 49%)

2,020 MW

Fujian, China

Total Installed Capacity



8.9 MW

Korea

Total Installed Capacity



507 MW



1,549.1 MW



109.5 MW

06 About CGN New Energy

COMPANY OVERVIEW

CGN New Energy (Stock Code: 1811.HK), listed on the Main Board of the Stock Exchange, is an independent power producer with diverse fuel types and geographical coverage. CGN is our controlling shareholder, which owns approximately 72.33% of the issued share capital of the Company through its indirectly wholly-owned subsidiary and CGN Energy International Holdings Co., Limited (an indirect wholly-owned subsidiary of CGN).

Currently, CGN New Energy's portfolio of assets comprises wind, solar, gas-fired, coal-fired, oil-fired, hydro, cogeneration, fuel cell and biomass in the PRC and Korea. CGN New Energy's business in the PRC covers 19 provinces, two autonomous regions and a municipality. In terms of the overseas market, we have gas-fired and fuel cell projects in Yulchon, Korea, as well as oil-fired and biomass projects in Daesan, Korea. As of 31 December 2023, projects in China and Korea accounted for approximately 77.5% and 22.5%, respectively, of the Group's attributable installed capacity of 9,622.8 MW.

CORPORATE VALUE

CGN New Energy's corporate mission: Developing clean energy and building a beautiful China

Corporate basic values	Accountable	Being willing to do things, capable of doing things and getting things done
	Rigorous and pragmatic	Being practical, performance-based and result-oriented
	Innovative and enterprising	Pursuing enterprise, innovation and excellence
	Client-oriented	Viewing clients' needs as our own
	Value-adding	Everyone is a value creator

BRAND STANDARDS

"Natural Energy Powering Nature" is the brand slogan that every CGN personnel takes pride in. CGN New Energy views safe, clean and sustainable energy as its brand positioning, while stressing and practicing it all the time. In terms of the design, construction, operation and energy resources utilization of power generation projects, the Group holds future-oriented attitudes and insists on minimizing the environmental and social impacts of various production activities. The Group adheres to CGN's consistent personnel management principles and strives to become the industry benchmark in new energy.

INTERNAL CODE OF CONDUCT

1. Four principles for CGN employees: Integrity and transparency, professionalism, efficient execution and teamwork
2. Four principles for management team: Being a good example, capable operation, caring for employees, fairness and integrity

06 About CGN New Energy

HONORS AND AWARDS OF THE GROUP IN 2023

January 2023



CGN New Energy won the “Special Contribution Award for Energy Transformation and Green Development”

June 2023



CGN New Energy was honored with 11 awards at the 9th Hong Kong Investor Relations Awards (HKIRA). Among these, CGN New Energy not only received the “Best Investor Relations Company”, “Best ESG” (in the categories of environment, social, and governance) and “Best Annual Report” awards, but also was selected by the judging panel for the “Grand ESG Award” in the Hong Kong mid-cap category. Moreover, CGN New Energy was also honored with the “3 Years IR Awards Winning Company”, a significant recognition in the field of investor relations

06 About CGN New Energy

October 2023



CGN New Energy won the “IFF Global Green Finance Award·Annual Award”

December 2023



CGN New Energy won the title of “2023 Advanced Organizations Implementing High Performance”

07 Highlights of 2023

FINANCIAL AND OPERATING HIGHLIGHTS

Revenue	US\$2,193.0 million, a year-on-year decrease of 9.8% (2022: US\$2,430.1 million)
EBITDA	US\$904.5 million, a year-on-year decrease of 2.8% (2022: US\$930.6 million)
Profit attributable to equity shareholders of the Company	US\$267.7 million, a year-on-year increase of 37.2% (2022 (Restated) (Note): US\$195.1 million)
Earnings per share (EPS)	6.24 US cents, a year-on-year increase of 37.2% (2022: 4.55 US cents)
Attributable installed capacity	9,623 MW, a year-on-year increase of 7.1% (2022: 8,987 MW)
Electricity generation	19,077 GWh, a year-on-year decrease of 0.6% (2022: 19,190 GWh)

Note: The Group has initially applied the amendments to International Accounting Standard 12 at 1 January 2023. Under the amendments, the comparative information is restated.

Clean and renewable energy portfolio	Attributable installed capacity	Year	Attributable installed capacity	Conventional energy portfolio
Solar, Wind, Hydro, Gas-fired, Fuel cell and Biomass	8,063.0 MW (83.8%)	2023	1,559.8 MW (16.2%)	Coal-fired, Oil-fired, Cogeneration
	7,426.7 MW (82.6%)	2022	1,559.8 MW (17.4%)	
	6,844.8 MW (81.4%)	2021	1,559.8 MW (18.6%)	

The Report presents the basic financial and business status of CGN New Energy in 2023. For details, please refer to our *Annual Report 2023*.

07 Highlights of 2023

PERFORMANCE IN ENVIRONMENTAL PROTECTION

Facing increasingly serious environmental challenges, CGN New Energy has continuously implemented the ecological and environmental protection concept of "Lucid Waters and Lush Mountains are Invaluable Assets". It incorporates green and environmental considerations in the entire process from site selection, deliberation, and construction to the operation and maintenance of projects. CGN New Energy also proactively develops a clean energy business. We adopt the "Three Balances" approach focusing on environmental protection in preliminary design, construction progress and environment protection are well balanced, and environmental considerations are incorporated in the production. We roll out a variety of initiatives on ecological and landscape protection, atmospheric protection, water protection, and energy and resources conservation.

In 2023, the Group generated 12,328.2 GWh of electricity through the solar, wind and hydro power portfolio, helping the electricity industry to address global climate change, reduce air pollution and mitigate environmental impacts.

In 2023, we helped reduce the emission of the following pollutants¹:

Carbon dioxide (CO ₂)	10,158,436.80 tons
Nitrogen oxides (NO _x)	1,639.65 tons
Sulfur dioxide (SO ₂)	1,023.24 tons
Smoke and dust	209.58 tons
Wastewater	665,722.80 tons

EMPLOYEES' CAREER DEVELOPMENT AND OCCUPATIONAL HEALTH & SAFETY

A good employee team brings a steady stream of development impetus for CGN New Energy. Based on our business features and the actual needs of our company and employees, we design and customize high-quality training programs and invite experienced part-time lecturers to give content-rich and practical lectures. In addition, we stick to the basic operating principle of "Safety First", standardize the occupational health rules, provide employees with personal protective equipment, arrange occupational health examinations, and provide diversified safety training.

Data of employee health and safety in 2023:

Number of work-related fatalities	0
Number of reportable injuries ²	0
Loss of work accident rate (per 200,000 working hours)	0
Severe injury rate (per 200,000 working hours)	0
Lost days due to work injury	0

COMMUNITY CONTRIBUTION

CGN New Energy embraces the operational philosophy of "Being a Good Neighbor, a Good Friend and a Good Partner" to continuously contribute to society. On the basis of economic development, the Group upholds the principle of harmonious growth, and launches a wide range of charity projects including rural revitalization, assistance in education development, and disaster relief, etc. We strive to integrate our operation into the development of the local community so as to achieve win-win results.

The Group's contribution to charity in 2023:

Amount contributed to community/charity ³ (RMB)	12,325,000
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¹ The data were calculated according to the emission and discharge volume of carbon dioxide, nitrogen oxides, sulfur dioxide, soot and wastewater per unit of electricity generated by thermal power plant stated in the *Annual Development Report 2023 of Electricity Industry in China*, and by referring to the Group's power generation data of solar, wind and hydro portfolio during the Reporting Period.

² Refers to inability of employees to work normally for 3 days or more due to work-related accidents.

³ Includes monetary value of input fund and resources for rural revitalization and public charity.

08 Feature Article

CGN New Energy is dedicated to the development of clean and renewable energy. Our unswerving mission is to "Developing clean energy and building a beautiful China". In line with this mission, we persistently strive towards a sustainable future, actively contributing to the nation's transition to a green and low-carbon society.

STRIVING FOR EXCELLENCE IN TECHNOLOGICAL INNOVATION

Scientific and technological innovation is a major pillar of CGN New Energy's sustainable development strategy. In terms of economy, the improvement of scientific and technological innovation ability can effectively reduce the cost of kilowatt-hour electricity. In terms of the environment, R&D and innovation help accelerate the development of green transformation, actively and steadily promoting carbon peaking and carbon neutrality while fostering the construction of an ecological environment to support the development of new power systems. Therefore, we attach great importance to technological innovation and overcome various challenges, such as long R&D cycles and short-term cost-effectiveness, to continuously improve the operation and power generation efficiency of each power station. In order to explore a sound development strategy, we actively communicate with stakeholders on technological research and innovation, including long-term strategic partners, industrial policymakers, the China Electricity Council, and the technical experts within the Energy Industry Technology Alliance. We will focus on information and digital transformation, promote innovation-driven strategic projects, and prioritize technological innovation and information-based support to continue achieving sustainable development of high quality.

Based on the principle of "Science and Education First", CGN New Energy formulates a mature science and technology management system, issued a series of systems such as the *Science and Technology Management System*, the *Scientific Research Project Management Measures* and the *Regulations on the Management of Scientific Research Funds*, and actively encourages each project company to independently carry out internal and external scientific research project declarations. We collect the research needs from each project company through the Science and Technology Innovation Center annually. Project companies will start their scientific research after their application for the research is applied successfully. According to the actual situation of each project company, we also include scientific research as one of the annual key performance indicators from three dimensions, which are based on execution, technology, and quality. Project companies set indicators by stages and levels in terms of the completion rate of the progress plan, the urgency, scientificity and difficulty of the topic, and the technical and economic value of the achievements. In addition, project companies regularly report the project advancement, progress report and contract implementation to the Science and Technology Innovation Center to ensure annual scientific research projects and objectives are completed on time.

CGN New Energy also continuously enhances the management of scientific research personnel and continually strengthens its scientific research capabilities. Regarding the recruitment of exceptional talents in 2023, we attracted 2 part-time chief researchers through the national "10,000 Talents Program" and employed 13 internal senior experts and 14 young to middle-aged experts. We also established a collaborative expert pool with China Electricity Council, Renewable Energy Association, and relevant universities and colleges, and employed 36 external experts. Currently, our Science and Innovation Center has 52 full-time researchers including 10 PhD holders and 30 master's degree holders. At the same time, concerning the training of scientific researchers, we have organized numerous interdisciplinary training sessions to foster technical integration across various domains. We have also planned to arrange internships for scientific researchers at the forefront where they can conduct research work in specific application scenarios to enhance alignment between research outcomes and on-site requirements.

With a focus on advancing offshore wind power industry deployment in Guangdong Province, we have partnered with Shanwei Municipal Government to establish Hongwan Laboratory as an extensive integrated research hub for the Company's offshore wind power sector.

CGN New Energy has also actively led/participated in the formulation of a number of national standards, involving solar thermal power generation, offshore new energy and other fields. In 2023, the *Technical Requirements for Desert Photovoltaic Power Stations* led by CGN New Energy was officially released as a national standard. The standard systematically puts forward the technical requirements of desert photovoltaic power stations for the first time, filling the gap in technical standards in this field at home and abroad. As of the end of the Reporting Period, CGN New Energy has won 8 provincial and ministerial level awards and more than 20 industry level awards. Nearly 40 scientific and technological achievements have reached the international/domestic advanced level. Among them, we won 3 provincial and ministerial awards, 6 industry-level awards, and 16 scientific and technological achievements that reached the international and domestic advanced level in 2023.

Our business covers both China and Korea, involving more than hundreds of new energy projects. Among them, the project of Liyang Photovoltaic Power Station in Wenchang, Hainan Province and Chifeng Qigan Photovoltaic Power Station in Inner Mongolia have fully demonstrated the spirit of "striving for excellence in technological innovation".

08 Feature Article

SETTING A BENCHMARK FOR INTELLIGENT POWER STATIONS



08 Feature Article

Hainan Wenchang Liyang Photovoltaic Power Station

According to the national "the 14th Five-Year Plan" requirements, in order to implement the "Promoting green development and Promote harmonious coexistence between man and nature", the Group planned to build Hainan Wenchang Liyang Photovoltaic Power Station.

The Hainan Wenchang Liyang Power Station is situated in Liyang Village, Wenjiao Town, Wenchang City, Hainan Province. This project comprises 15 photovoltaic arrays spanning across a land area of 415 acres and possesses a total installed capacity of 20 MW. It was successfully connected to the grid in 2018, with an overall investment amounting to approximately RMB 136 million. Since its commencement, the average annual power generation of this project is approximately 25,016,700 KWH.

The Hainan Wenchang Liyang Power Station exemplifies a fish-light complementary power generation system, where the photovoltaic modules are installed above the fish pond. This innovative approach combines water power generation and underwater farming, effectively optimizing land utilization for both photovoltaic power generation and fishery farming. By implementing this mode, various benefits can be achieved including reducing surface temperature of the fish pond, minimizing water evaporation, controlling excessive algae growth, and enhancing overall water quality and ecological environment. Additionally, it is worth noting that the pile foundation of the photovoltaic modules does not interfere with fish breeding. The project promotes local rural economic development, increases employment opportunities, improves farmers' income levels, and helps improve rural production and living conditions and ecological environment. Compared with traditional ground-based photovoltaic power stations, the construction of Hainan Wenchang Liyang Photovoltaic Power Station does not need to destroy land resources, reduce vegetation destruction and land erosion and other problems, and reduce the interference and damage to the ecosystem.

Hainan Wenchang Liyang Photovoltaic Power Station has been awarded a number of honors since its commissioning, including the "Safety, Quality and Environment Benchmarking Team" of CNG New Energy in 2021, the "Excellent Quality Team" award and the "Safety, Quality and Environment Standardization second-level Unit" of CNG New Energy in 2023. At the same time, this Photovoltaic Power Station has also cultivated outstanding talents such as CGN new energy production operation and maintenance technical support experts and the seventh player in the "Safe Operation" skill competition. In addition, this Photovoltaic Power Station passed GB/T24001-2016/ISO14001:2015 Environmental Management System, GB/T45001-2022/ISO45001:2018 Occupational Health and Safety Management System, GB/T19001-2016/ISO9001:2015 Quality Management System Certification, and obtained the certificate.



Won the "Safety, Quality and Environment Benchmarking Team"

08 Feature Article

The Hainan Wenchang Liyang Photovoltaic Power Station consistently upholds the principle of "Prosperity through science and technology" by harnessing advanced technologies to enhance safety measures, and also promote intelligent and efficient operations. Through the implementation of an intelligent operation and maintenance management system and an autonomous unmanned aerial vehicle (UAV) inspection platform, Hainan Wenchang Liyang Photovoltaic Power Station reduces manual intervention and operating costs, and also enhances overall project benefits, enables independent analysis and prediction of various data of the power station to facilitate more scientific and reasonable decision-making and improve power generation efficiency. It is essential and of great significance for the operation and maintenance of Hainan Wenchang Liyang Photovoltaic Power Station to adopt autonomous UAV inspection technology. On one hand, the utilization of autonomous UAV inspection technology enables comprehensive, high-precision, and efficient detection, diagnosis, and warning of various equipment within the power station. This facilitates timely identification and resolution of defects and faults while enhancing power generation efficiency, increasing the economic benefits of photovoltaic power stations, reducing electricity loss, as well as minimizing carbon emissions. On the other hand, autonomous UAV inspection technology leverages data platforms to achieve informatization, digitalization and Intelligent management that serve as a scientific foundation for the optimization of operations and the upgrade of the power station. By accessing third-party operation and maintenance platforms through cloud APIs for automatic identification and diagnosis of UAV inspection images along with streamlining task delivery to inspection reports process automation, it promotes intelligent station construction while setting a benchmark example for intelligent power stations in Hainan's photovoltaic industry.



UAV



Autonomous UAV inspection platform

Hainan Wenchang Liyang Photovoltaic Power Station also uses the water photovoltaic integrated operation platform to innovate the maintenance operation vessel in structural design, material selection, auxiliary tool assembly, etc., to achieve lightweight and portability of the water photovoltaic operation vessel, and simultaneously improve reliability and safety.



Floating photovoltaic working boat



The power station has undertaken several innovative transformation projects simultaneously, including the installation of box transformers for measurement and control, lightning arresters, rain covers for inverters, lightning rods at switching station, and lead under the transformation to mitigate safety risks and ensure operational safety.

08 Feature Article

ASSISTING IN POVERTY ALLEVIATION WORK



Qigan Photovoltaic Power Station

The Qigan Photovoltaic Power Station is situated within the jurisdiction of Qigangacha, Wudan Town, Wengniuteqi, Chifeng City, Inner Mongolia. It comprises 30 photovoltaic arrays spanning a total area of 1,890 acres and achieved full capacity grid connection in 2018, with a total installed capacity of 60 MW.

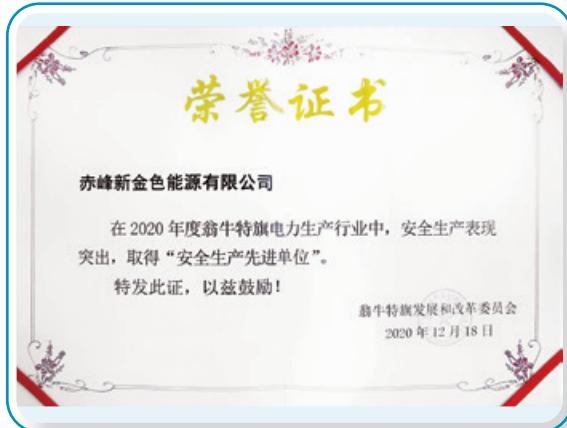
This Photovoltaic Power Station is a poverty alleviation project with a total investment of approximately RMB 450 million. Qi Photovoltaic Poverty Alleviation Leading Group and Chifeng New Golden Energy Co., Ltd. jointly defined the centralized photovoltaic poverty alleviation power station annual sales income distribution plan. After deducting operating expenses such as loan repayment, operation and maintenance and corresponding taxes from the electricity income generated through the sale of electricity at the national annual electricity price subsidy, the company's proportionate share in after-tax profits from the government platform amounting to RMB7.2 million is entirely allocated as income for registered poor households. This benefits 2,365 impoverished households within the entire banner area for 20 consecutive years, resulting in an average annual increase of RMB3,000 in their household income.

08 Feature Article

Since its operation, Qigan Photovoltaic Power Station has performed well and won many honors. In terms of poverty alleviation, Qigang Photovoltaic Power Station won the "Advanced Leading Enterprise" of Wengniuteqi poverty alleviation work in 2018 and the "Advanced Unit" of Wengniuteqi poverty alleviation battle in 2020. In terms of production safety, Qigan Photovoltaic Power Station performed well in the safety production standardization work in the power production industry of Wengniuteqi in 2020, obtained the title of "Model unit of safety production standardization", and also obtained the title of "Advanced Unit" of safety production standardization in the same year.



**Won Wengniuteqi poverty alleviation battle
"Advanced unit"**



**Obtained the title of "Model unit of
safety production standardization"**

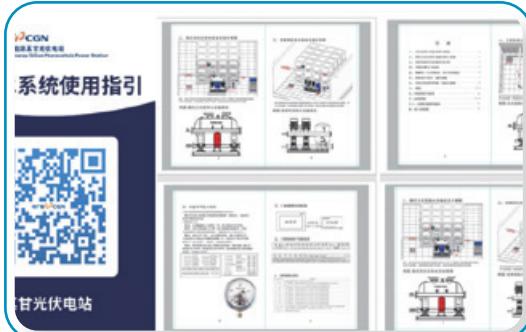
Qigan Photovoltaic Power Station integrates innovation into daily power station operation, improves work efficiency and ensures safe production through innovation. The following shows several innovations in the work of Qigan Photovoltaic Power Station:



Innovative tooling

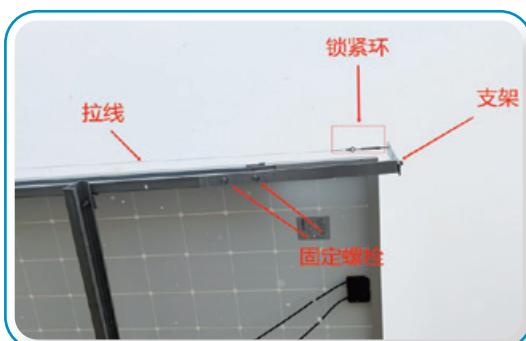
The on-site operation and maintenance personnel at Qigan Photovoltaic Power Station have integrated their daily tasks with innovative tooling for component replacement. This advanced tooling not only enhances work efficiency but also ensures the safety of operations.

08 Feature Article



QR code of devices

Qigan Photovoltaic Power Station generates QR codes for on-site equipment to facilitate efficient and effective execution of tasks such as inspection, recording, and inquiry. Qigan Photovoltaic Power Station integrates technical data, inspection content, fault repair information, and other relevant details of field equipment into the two-dimensional code system, enabling quick access to relevant information through scanning. The device QR code also promotes a paperless office environment while contributing to environmental protection.



Bird proof drawing

The area of the Qigan Photovoltaic Power Station is rich in bird species, and if birds fall on the photovoltaic module, the bird droppings generated will affect the module, such as heat spots and other problems. To mitigate this impact and discourage birds from perching on the components, anti-bird wire-drawing facilities are installed by the power station's operation and maintenance personnel, effectively achieving a preventive effect.



Cable bundling

Due to prolonged weathering, a significant number of DC cables in the photovoltaic modules at the station have become damaged. To address this issue, after thorough verification by multiple parties, the power station's operation and maintenance personnel have ultimately opted for cost-effective galvanized insulation cables to secure the components. This solution not only enhances durability but also contributes to reducing operational expenses.

Qigan Photovoltaic Power Station is actively researching quality control (QC). For on-site replacement of photovoltaic modules, Qigan Photovoltaic Power Station has independently designed and produced a specialized ladder. The utilization of this dedicated ladder significantly reduces component replacement time and greatly enhances field equipment power generation. Furthermore, Qigan Photovoltaic Power Station thoroughly analyzes fault causes and conducts waterproof research on MC4 plugs, to address primary faults on site, which results in remarkable achievements. These results substantially decrease equipment alarms and failures while enhancing reliability and power generation.

09 Stakeholder Engagement and Materiality Assessment

COMMUNICATION WITH STAKEHOLDERS

Maintaining good communication with stakeholders is an important part of CGN New Energy's long-term development management. The Group accurately identifies the key stakeholders related to our operation, and communicates with them through meetings, regular visits, satisfaction surveys and other channels, so as to understand their expectations and interests in the Group's development process and future developments. The Group will take measures in an endeavor to respond to and meet the demands of key stakeholders according to its production and operation.

CGN New Energy determines whether the individuals or groups are our key stakeholders mainly through the following three aspects:

- Whether they have invested or will invest in CGN New Energy
- Whether they have an influence on the business operation of CGN New Energy
- Whether they have interests in or are affected, potentially or otherwise, by the business, products, services and relationships of CGN New Energy

We have identified the following eight types of individuals and groups as our key stakeholders:



In developing, designing, constructing and operating power projects, CGN New Energy attaches great importance to the valuable opinions of key stakeholders. In the preliminary design of power projects, we will conduct open consultation and extensively collect the opinions from surrounding residents on the development of the projects, and deeply understand their concerns. We also appoint professional environmental assessment agencies to conduct comprehensive environmental impact assessments of the projects and formulate impact mitigation plans, so as to minimize the potential impact of the project on the surrounding environment and communities.

09 Stakeholder Engagement and Materiality Assessment

The channels and frequency of our communication with key stakeholders are as follows:

Key stakeholders	Main Communication channel	Frequency
Employees	Employee meetings/seminars Employee performance appraisal interview Employee satisfaction survey On-site investigation and research Employees' recreational and volunteering activities	Annually
Government/regulatory authorities	Telephone/e-mail Meeting and interview	From time to time
Clients	Telephone/e-mail Interview	From time to time
Suppliers/contractors	Issue invitation for bids on procurement of products/services Inspection and supervision of work Supplier conference Telephone/e-mail Interview	From time to time
Shareholders/investors	Shareholders' meetings Investor conferences Press releases/announcements Visits Telephone meetings	During the Reporting Period, the Company communicated with investment banks, securities firms and different types of investors. During the Reporting Period, the Company held its 2023 Annual General Meeting and a special general meeting in Hong Kong.
Members of communities/organizations	Telephone/e-mail Interview	From time to time
Media	Press releases/announcements Media special interview	Media interviews are conducted from time to time based on actual needs. During the Reporting Period, the Company constantly updated the latest development of CGN New Energy to the media and the public through press releases/announcements.
Business partners (e.g. universities, research institutions, professional teams or individuals)	Inspection and supervision of work Telephone/e-mail Interview	From time to time

09 Stakeholder Engagement and Materiality Assessment

MATERIALITY ASSESSMENT

In order to reflect CGN New Energy's ESG impacts to the most extent in the Report, and considering the ESG information on the Group requested by key stakeholders, this materiality assessment follows the approaches in *GRI Sustainability Reporting Standards*, considers the impact on the stakeholders and the sustainable development of CGN New Energy, and identifies the material issues to be disclosed in the 2023 ESG Report through the following materiality assessment processes.

Process for identifying material issues	Step 1	Update the ESG issue repository of CGN New Energy and identify potential material issues
	Step 2	Identify the stakeholders surveyed
	Step 3	Conduct materiality assessment survey
	Step 4	Create the materiality matrix according to the survey result and identify the priority of issues
	Step 5	Review and confirm the materiality of identified issues

We adopt the compliance disclosure requirements of the *ESG Report Guidelines* of the Stock Exchange and *GRI Sustainability Reporting Standard* as the benchmark to update the CGN New Energy's ESG issue repository. Meanwhile, based on CGN New Energy's 2022 materiality assessment result, the preliminary updated ESG issue repository in 2023 was formed by referring to the Materiality Map of the Sustainability Accounting Standards Board (SASB), the MSCI ESG rating for the issues of concern to the electricity industry, and the *ESG Special Report Reference Index System for Listed Companies Holding Central Enterprises*. Compared with the ESG issue repository in 2022, three new issues were added, which were "Environmental Management Systems, Measures and Compliance", "Stable Energy Supply" and "Response to National Strategies". The ESG issue repository was screened and finally confirmed by CGN New Energy's management.

The Group conducts a comprehensive materiality assessment every year to determine the issues of the Report that are most concerned by CGN New Energy's key stakeholders, and to confirm the information that needs to be highlighted in the Report. During the Reporting Period, the Group conducted a survey on material issues with the assistance of a professional consultancy.

Through an online anonymous questionnaire survey, the Group widely collected and solicited opinions from part of the Group's key stakeholders. The survey collected a total of 1,293 valid questionnaires from the Board, staff (including the management⁴ and employees), shareholders and investors as well as suppliers and contractors. The material issues of the 2023 ESG Report were finally determined on the basis of the feedback from stakeholders and confirmation from the Group's management and the Board.

⁴

Refers to the highest decision maker over the operation of the Company or the related affairs of departments.

09 Stakeholder Engagement and Materiality Assessment

Matrix of CGN New Energy 2023 Materiality Assessment



Environmental issues	Social issues	Governance issues
1 Renewable energy opportunities	12 Occupational health and safety of employees	24 Social and economic compliance
2 Project-related protection of the ecological environment and natural resources	13 Employee remuneration and promotion mechanism	25 Anti-corruption
3 Energy use and efficiency	14 Career development and training for employees	26 Corporate risk management
4 Project environmental impact assessment and related mitigation measures	15 Employment and employee benefit	27 Financial performance and investor interests
5 Addressing climate change	16 Compliance with labor legislation	28 Compliance and transparency information disclosure
6 Solid waste disposal and management	17 Labor standards	29 Anti-competitive behavior
7 Greenhouse gases emission and management	18 Service quality assurance	30 Technological R&D and innovation
8 Water use and efficiency	19 Community investment and participation	
9 Effluent discharge and management	20 Supply chain management	
10 Exhaust emission and management	21 Employees diversity and equal opportunity	
11 Environmental management systems, measures, and compliance	22 Stable energy supply	
	23 Response to national strategies	

09 Stakeholder Engagement and Materiality Assessment

Through a comprehensive analysis of the data and information collected in the survey, CGN New Energy determined the issues with more than half of the scores in both dimensions as material issues from the perspective of "Impacts on assessment and decision making of part of key stakeholders" and "Impact of the Group on the economy, environment and human (including human rights)". The Group finally prioritized the materiality of each issue and created a materiality matrix. Thirteen material issues that are most concerned by stakeholders were identified (items 2, 3, 4, 8, 12, 14, 15, 21, 23, 24, 25, 27 and 30 above). Compared with 2022, issues 8, 15, 21, 23 and 25 were newly included in 2023. The Group added topic 23 Response to National Strategies to its ESG repository for 2023, which has been rated as relatively important by both internal and external stakeholders as part of the Group's corporate social responsibility. By responding to national strategies, the Group promotes the sustainable economic, social and environmental development of the country as a whole, creating long-term value for internal and external stakeholders and a sustainable future for the country and its people.

The results of the analysis have been reviewed by the Group's management and the Board in terms of impacts on the economy, environment and humans (including human rights) brought by ESG issues. The Report will focus on these material issues and report their contents to address the needs of stakeholders in compliance with the Listing Rules.

10 Corporate Governance

CGN New Energy pursues a practical, robust and prudent corporate governance concept, by formulating rules and regulations, to strengthen internal control and improve operational risk management.

GOVERNANCE STRUCTURE

Maintaining an efficient, orderly, transparent, and robust corporate governance mechanism is the foundation of CGN New Energy's sustainable development. Since going public, CGN New Energy has strictly abided by the Listing Rules and the Corporate Governance Code under Appendix C1 of the Listing Rules, as well as other relevant laws and regulations. The Company reviews its business management policy from time to time, implements efficient corporate governance, and strives to enhance the corporate value to ensure the sustainable and steady development of the Group.

CGN New Energy believes that good corporate governance is essential to the Company's internal governance and the interests of shareholders. We have a corporate governance structure, which consists of the Board and board committees, internal auditors, shareholders, management and employees. The participation by multiple parties further reinforced the comprehensive coverage of the Company's governance policy and the effectiveness of its implementation. All relevant departments of the Company work on ESG matters in accordance with the decisions issued by the Board to ensure that ESG affairs can be fully integrated into the operation.

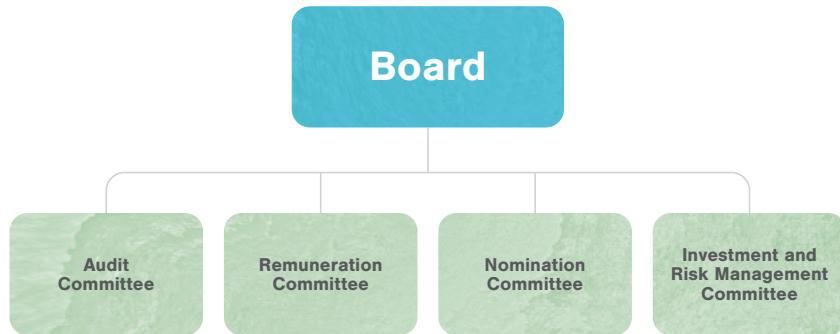
The Board incorporates ESG matters into the Company's governance structure. As the highest level of decision-makers with the right to oversee the Company, the Board is responsible for formulating and approving policy matters, improving strategic guidelines, formulating and reviewing the targets on a regular basis, maintaining risk management and internal control systems in respect of the business and the ESG matters of the Company, and supervising the performance and professional development of senior management. The Board continues to enhance its supervision over the ESG governance of the Group, including the monitoring and reviewing the progress made against the ESG-related targets on a regular basis. Meanwhile, the Board will evaluate, prioritize and manage material ESG-related issues (including ESG risks). As of the end of the Reporting Period, the Board committees of the Company include the Audit Committee, Remuneration Committee, Nomination Committee and Investment and Risk Management Committee. The corporate governance team is committed to upholding CGN New Energy's interests and making fair and defined decisions on major operational issues of the Company, so as to promote the Group's evergreen development and create value for our key stakeholders.

The corporate governance structure of CGN New Energy:



10 Corporate Governance

Corporate governance structure of CGN New Energy:



The Report basically presents the corporate governance system and work of CGN New Energy in 2023. For details, please refer to the "Corporate Governance Report" contained in our *Annual Report 2023*.

10 Corporate Governance

ANTI-CORRUPTION

CGN New Energy strictly complies with the laws and regulations relating to bribery, extortion, fraud and money laundering in the regions where we operate, including Mainland China, Hong Kong and Korea. The laws and regulations that we have complied with during the Reporting Period, as well as how we comply with them are listed in "Appendix I" of the Report. The Group makes and strictly implements internal management policies on the prevention of bribery, extortion, fraud and money laundering in the course of operation.

The Group insists on being guided by General Secretary Xi Jinping's statements on the Thought on Socialism with Chinese Characteristics for a New Era, earnestly implements the spirit of the 20th National Congress of the Party, fully implements the spirit of the plenary sessions of the 20th Central Commission for Discipline Inspection, the spirit of the SASAC and CGN Party Conduct and anti-corruption work conference, unwaveringly promotes the Company's comprehensive development of strict Party governance to the depth, and provides a strong disciplinary guarantee for accelerating the construction of a top new energy enterprise.

We uphold the culture of high integrity in the corporate governance structure and pursue better corporate governance while being compliant with the law with the integrity value of "Integrity is the New Energy" and the integrity vision of "Illuminating Happiness with the Sunshine of Integrity". We have also incorporated the culture of integrity into the development of every employee who is committed to acting with high integrity and ethical standards. We strictly require all business departments to adhere to the principle of anti-corruption, and have formulated the *Company's Gift Management Measures* and the *New Energy Holding Company Discipline Inspection Commission Operation Regulations* to regulate the behavior of employees and improve the awareness of integrity. The Secretary of the Discipline Inspection Commission of the Group is immediately responsible for supervising the overall strict Party governance and comprehensively leading the work of the Discipline Inspection Commission. He also supervises the clean governance, Party integrity and exercise of the power of the Group's leading group and its members, gives timely reminders at the initial emergence of problems discovered, interviews leading cadres, and reports any clues of major problems, if any, to the Group's Party Committee and the Company's Discipline Inspection Commission in time. The employees who violate Party rules, Party discipline and the Group's discipline will be liable in accordance with the regulations of the *Regulations on Punishment of Violations by Employees of CGN*.

During the Reporting Period, the Group actively promoted the construction of integrity. The Group strengthened the deterrent of "not daring to corrupt" and carried out serious investigations and punishment of corruption cases. At the same time, the Group continued to improve the "no corruption" system and mechanism, promote reform and promote treatment by case, timely discover management loopholes, urge the development of management improvement measures, and promote the improvement of 15 systems, giving full play to the effects of investigating and dealing with cases, warning all staff, and managing all aspects. The Group also further created an atmosphere of "no corruption" and continuously strengthened discipline education. In addition, the Group also carried out the reform of the Commission for Discipline Inspection dispatch, established and improved the dispatch supervision mechanism, further improved the supervision system and standardized the improvement of the grass-roots management level.

We continue to improve our anti-corruption policies and implement the *Anti-Corruption Policy* to further standardize our internal anti-corruption practices and culture. The Policy sets out the code of conduct that employees should avoid or pay attention to in different circumstances, regulates the reporting and investigation procedures of employees, and indicates that the Group is required to convey to its suppliers and other business partners, where appropriate, a zero-tolerance attitude towards bribery and corruption. We also actively communicate with suppliers to strengthen the construction of a clean and positive cooperation environment and create high-quality development.

Carrying out integrity education

During the Reporting Period, the Group conducted integrity education by organizing theoretical learning sessions, promoting position awareness, providing warning education, hosting open discipline classes and discipline knowledge competitions, as well as arranging visits to Party spirit education bases. Various measures were implemented to comprehensively enhance employees' integrity awareness. In 2023, the Company achieved a 100% participation rate in integrity practice education, encompassing all employees and management personnel including part-time staff. The Group also carried out extensive publicity and implementation efforts for relevant policies such as *Regulations on the Punishment of Violations by Employees of CGN*, ensuring that employees and management received training on these regulations. Furthermore, annual integrity assessments were conducted across all departments, business units, and branches to strengthen integrity management practices while mitigating potential risks to ensure sustainable and healthy development of the Group.

10 Corporate Governance

CASE: CONDUCTING INTEGRITY TRAINING

In 2023, we invited external experts to give an open course on discipline and law to popularize the knowledge of discipline and law to all employees of the Company. At the same time, we organized all employees to watch warning education films at different levels, extending the warning shock from the “key minority” to the grass-roots line. We also organized the middle level and above cadres of the headquarters to visit and study the Party spirit education base to further temper the Party character. In addition, we organized discipline inspection cadres to carry out door-to-door activities to send “integrity courses” to help new employees and new management cadres to tie the “first button” of working with integrity.



Providing Confidential Ways for Whistleblowing

The Group has established the *Whistleblowing Policy System* in compliance with the Listing Rules, aiming to encourage employees to confidentially report any instances of misconduct, fraud, or corruption related to the Group's operations. This initiative aims to cultivate a culture of integrity and transparency while enhancing the effectiveness of the Group's governance.

CGN New Energy has established a special petition system to ensure the independence and confidentiality of the petition process, so as to protect the channels for employees to complain and report to be safe and smooth. Employees may submit complaints or comments about the Group. We have also formulated the *Regulations on the Disciplinary Actions of employees of CGN* in accordance with the *Regulations on Disciplinary Actions of the CPC* and other policies to encourage employees to report any violations, establish a clean atmosphere, and foster a culture of clean work. Employees can submit anonymously, and the complaint system will keep all reported information confidential. Employees can report to the disciplinary committee of the Company by post or email. The Company's Disciplinary Committee will maintain the confidentiality of employees who submit reports to the fullest extent permitted by law.

Policy for Prohibiting Illegal Retaliation and Discrimination

CGN New Energy has also formulated protection policies in accordance with the laws to protect whistleblowers and ensure they will not be subject to unlawful retaliation or discrimination due to their lawful reporting or participation in investigations. If an employee believes that he/she has been subjected to any of the aforesaid unlawful retaliation or discrimination, he/she may file a complaint through the aforesaid reporting procedure, and the Group will deal with the issue seriously or even immediately dismiss any person who retaliates or discriminates against him/her.

10 Corporate Governance

Examining the Code of Ethics

CGN New Energy continues to strengthen the building of cadre and talent teams and carries out full-cycle management on cadres and employees' morals, ability, diligence and integrity.

For the induction management, the Group comprehensively evaluates the overall quality, professional competence and work experience of candidates through structured interviews and semi-structured interviews, with strict background investigations. Employees are required to provide proof of a clean criminal record when they onboard. For promotion management, the Group comprehensively considers the ability and quality of candidates through public competitions, organization nomination and other ways to fully review professional integrity. Before the appointment of cadres, the Company will strictly conduct the democratic evaluation and inspection for "Morals, Ability, Diligence and Integrity". For the assessment management, the Group strictly carries out the annual performance assessment and tenure assessment of cadres, which centers on ability, performance, contribution, etc., and also assesses dedication to work and professional integrity.

RISK PREVENTION

The Board of the Company leads and makes the final decision on risk management; The Investment and Risk Management Committee directly under the Board is responsible for the centralized deliberation of major risk management affairs; The President is responsible for the overall risk control; The Company has a designated department responsible for matters relating to risk management.

During the Reporting Period, the Company continued to promote the *Double Ten Risk Management Rules* for risk assessment. The risk is assessed in combination with the Company's business objectives, strategic focus, plan, budget, performance-based assessment (PBA) and the operation of each unit. The specified department will conduct a comprehensive scan of all kinds of risks the Company facing, and evaluate them according to the possibility and impact of risk events and the urgency of management, so as to identify, analyze and optimize the "Double Ten risks", and monitor and manage them in accordance with the relevant management provisions of the Company's *Comprehensive Risk Management System*.

The annual risk management report of the Company includes the "Double Ten Risk" and primary risk monitoring index control plan, and integrating it into daily operational and managerial activities. For significant business risks identified within or reported by external regulators and media networks, relevant units will categorize the issues into three stages: initial reporting, ongoing reporting, and final reporting. The Company established a "Double Ten Risk" management group and regularly held routine meetings and special meetings to strengthen the daily supervision of risk information and ensure the timely transmission of major risk information. The department for risk management shall regularly report to the General Manager on the control of "Double Ten Risks", including the addition/removal of the "Double Ten Risks", and also report to the Board regularly for the control of major risks that require the attention of the Board. The Company has set up a sound major risk control mechanism to enhance the capability to prevent and resolve major risks. Also, the Company issues the *Notice on Further Standardizing the Reporting Mechanism of Major Risk Events to the Party Committee of the Company*, which defines the requirements, scope, and procedures of reporting to the Party Committee of the Company.

The Company also continues to establish a comprehensive risk management system at branches. The risk management of the branch offices supervises and inspects the major risks identified during the risk assessment, and checks how the system develops performs and monitors risks at the branch offices. The branch offices should disclose any problem found at the planning and business department meeting and further specify the requirements for follow-up procedures. In addition, the Company also strengthens the analysis and early warning of its business risks and resolves problems through monthly meetings, quarterly risk monitoring reports and risk deviation lists. To speed up the informatization of risk management and integrate risk management into the operation and management system, we have successfully established and launched the review process for investment project risks on the enterprise performance management system.

Each functional department of the Company also set major risk control targets, continuously follows up on the implementation progress and takes actions to minimize the risk. The Company have completed the development of a major project risk assessment system. The Company will continue to construct the system for improving the assessment efficiency and also the intelligence capability of the Company.

Besides, in view of negative public opinion risks, the Company adheres to the "prevention first, move forward", adheres to the combination of "risk prevention and control" and "Crisis Disposal", scientifically researches and judges public opinion risks, timely develops the *Public opinion Response Plan*, takes appropriate intervention measures in accordance with laws and regulations to properly solve problems, orderly guides public opinion, and effectively maintains the public opinion environment for the steady development of the Group.

10 Corporate Governance

ESG Risk Assessment and Management

The Board has incorporated ESG risk management into the current risk management and internal control system to effectively identify, evaluate, prioritize, and manage ESG risks related to the Group's business. During the Reporting Period, the Company conducted an ESG risk assessment by functional departments and reviewed by the Board, which thus identified the following major ESG risks:

Major ESG risk	Management measures
Supply chain management	<ul style="list-style-type: none"> Developed strict management methods for supplier performance evaluation, which covers at least seven dimensions including technology, quality, cost, delivery, service response, environmental protection and social responsibility; Integrated environmental and social risk considerations into the <i>Supplier Management Practices</i>; Signed the <i>Supplier (outsourcing project) Environment and Safety Control Agreement</i> with each supplier to monitor their ESG performance and reduce pollution and safety accidents in the production process; Provided safety training and guidance to some suppliers to reduce potential risks in their operations; Comprehensively combined equipment manufacturer production and transportation situations, to identify potential supply risks and prepare for the plans to ensure that each project equipment supply matches the construction progress.
Company technology and product development and innovation	<ul style="list-style-type: none"> Actively communicated with stakeholders on R&D and innovation, including long-term strategic cooperation units, industrial policymakers, China Electricity Council, Energy Industry Technology Alliance Group technical expert pool, etc. Formulated the <i>Science and Technology Management System</i>, and actively encouraged each project company to independently carry out internal and external scientific research project declaration; Included research as one of the annual key performance indicators (KPIs), covering three dimensions: implementation, technology and quality; The project company formulated the indicators by stages and levels according to the situation of the research topics, and reported the progress of the research topics and objectives to the Research Center regularly.
Employment and employee benefits	<ul style="list-style-type: none"> Strictly abided by the employment laws and regulations of the region where it operates, and formulated the <i>Employee Manual</i> to regulate employment management; In the recruitment, employment, training, reward, promotion and development arrangements, treated all applicants and employees fairly and equitably, and resisted any form of discrimination and discrimination; Provided employees with comprehensive benefits, including enterprise annuity, supplementary medical insurance, annual physical examination, communication subsidies and transportation subsidies.

10 Corporate Governance

Major ESG risk	Management measures
Risk of declining project resource acquisition competitiveness	<ul style="list-style-type: none"> • The market development department regularly reported the market development report, reviewed the policies that had a major impact on the new energy industry, analyzed the market situation and market development situation and strategies; • Strengthened the main responsibilities of regional territorial entities, deepened the construction of the three major alliances of "strategy, industry and technology", established win-win cooperation relations, enhanced market competitiveness, and focused on large bases and projects, and actively layout UHV supporting base projects; • Actively developed the whole county roof-distributed photovoltaic, distributed wind power business; • Accelerated the development of extended businesses such as energy storage and cultivated new growth drivers for the company's development.
Employee turnover	<ul style="list-style-type: none"> • Carried out systematic reform of the human resources management system and mechanism, comprehensively promoted the reform of the construction of cadres and talents, and further solved the problem of employee motivation and development; • Continued to explore and establish a talent echelon system in various professional fields, clarifying the career development channels of employees, and cultivated a reserve talent team with professional, technical expertise and strong ability; • Created a relaxed environment for high-level talent officers to start businesses, and broke down the system and mechanism that were not conducive to talent innovation and personal ability.
Quality of products and services	<ul style="list-style-type: none"> • Regularly reported business status and market development reports to the Board of directors, continuously optimized operational strategies and maintained the safety and stability of the power grid; • Formulated the <i>Power Marketing Management System</i> to ensure the compliance of various businesses; • Built integrated power forecasting platform and auxiliary decision-making system to better serve external power supply and market users; • In view of the intermittent characteristics of new energy output, the application research and operation pilot projects of "energy storage" technology in spot trading and auxiliary service scenarios were carried out to ensure the safe and stable operation of the power grid and alleviate the power grid regulation pressure.
Digital technology development	<ul style="list-style-type: none"> • Focused on the transformation of information and digital management, scientific top-level planning, solidarity and coordination, optimized resource allocation, and adhered to the work route of drawing a blueprint to the end; • Continued to advance the innovation-driven strategic project, focus on supporting scientific and technological innovation and IT application, and achieved high-quality and sustainable development.

10 Corporate Governance

Major ESG risk	Management measures
Network security	<ul style="list-style-type: none"> Ensured the network security of internal data by deploying security measures such as external intrusion detection system and firewall; Regulated employees' online behavior to prevent employees from accessing non-compliant or potentially unsafe websites; Periodically installed or updated the internal antivirus software to scan and filter the incoming and outgoing ports of the network.

Internal Management and Control and Compliance

CGN New Energy has gained comprehensive management experience through years of operation practice in new energy projects. While maintaining stable production and operation, CGN New Energy can timely adjust the Group's operation and development plan with the changes in the industry and market. The Company and its subsidiaries continue to actively improve the internal control management model, vigorously promote digitalization and information technology application of the internal system and improve operation and management efficiency.

In terms of compliance management, CGN New Energy has a sound collaborative operation mechanism of compliance management, legal management, internal control, risk management, etc., and has formulated the *Compliance Management System*, the *Legal Compliance Assessment Measures*, and the *Implementation Measures of the New Energy Holding Company's Investment Responsibility Investigation for illegal Operations* to ensure compliance operations. The *Compliance Management System* clearly sets out the company's compliance management system, the responsibilities of all levels, the operation mechanism of compliance management, the construction of compliance culture and the construction of information technology, and the compliance review is embedded into the enterprise's operation and management process as a necessary procedure. At the same time, the Company has incorporated the legal compliance assessment into the integrated organizational performance assessment, and listed the relevant assessment contents and evaluation methods in the *Legal Compliance Assessment Measures*. Under the leadership of the Party Committee and General Manager of the Company, the Legal Affairs Department takes the lead in organizing the annual legal compliance assessment and annual performance evaluation. We have also adopted the *Implementation Measures of the New Energy Holding Company's Investment Responsibility Investigation for illegal Operations* to carry out responsibility investigation for behaviors that violate regulations on investment operations.

Internal Audit

CGN New Energy has established an independent audit department to exercise the power of audit supervision autonomously, in order to fully leverage the role of the third line of defense. The Audit Department comprises modules for economic responsibility audits, management audits, and internal control and procurement oversight. There are no internal audit institutions or positions within each branch or subsidiary company. Instead, all internal audit activities are carried out by the Audit Department. Under the correct leadership of the Party Committee and specific guidance from the Board, we have established and enhanced our audit system and mechanism, effectively fulfilling our role as a third line of defense in auditing while promoting the improvement of management capabilities and safeguarding state-owned assets.

First and foremost, the audit management system has been continuously optimized. The Party Committee of the Company has further refined the institutionalization of centralized and unified leadership over audit work, requiring important matters to be submitted to the Party Committee for deliberation and research. Secondly, our understanding of the regularity of the auditing profession has deepened. The audit professionals constantly enhance their capabilities, enabling them to provide more proactive and targeted services to support the high-quality development of the Company, while highlighting the unique supervisory role of auditing. Furthermore, the internal audit quality has continued to improve. Through the audit quality assessment work, we carefully examine the gaps in audit management and promptly take improvement measures. Lastly, the tracking of audit rectification has been more effective, with significant audit outcomes. Through the linkage between auditing and accountability, we hold departments and units accountable in accordance with the law, providing warnings and urging those who repeatedly fail audits or show inadequate rectification efforts. This continuous improvement enhances the support and guarantee role of auditing for the high-quality and healthy development of the Company.

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In response to national policy requirements and to advance the digitization and technological upgrade of auditing, as well as integrate business and auditing functions, the Audit Department of CGN New Energy fully utilizes data assets. We employ big data technology methods and tools to comprehensively analyze and deeply explore business data. This enables us to identify and address operational risks, and we have established an audit early warning system. Since 2019, we have been continuously launching and promoting the digitalization of audits. As of July 20, 2023, a total of 17 audit early warning systems have been implemented successfully. We have consistently added and optimized system models and functions, resulting in the launch of 58 models that have facilitated over 10,000 visits and leading to the identification of more than 300 risks. Our audit early warning system has been widely applied across companies managed by the Company with positive feedback on its implementation. The remarkable results achieved include improved efficiency and quality in audits as well as enhanced corporate management and governance through timely risk warnings and prevention measures.

Financial Supervision

We continuously strengthen the financial inspection of each project company, focusing on their internal control management, financial accounting audit, and capital and asset file management. Regional project companies are actively subject to regular financial inspection and financial internal control and other special supervision. During the Reporting Period, the Group's financial supervision went smoothly, and no financial problems were found to have a significant adverse impact on the Group's operation.

Information Security Management

To ensure the information system security of the Group's operation process, we deploy security measures such as intrusion monitoring systems and firewalls to ensure the network security of internal data. In addition, the Group also regulates the online behavior of employees by improving the internal Internet behavior management system, so as to prevent employees from accessing websites with irregularities or potential safety hazards. The Group regularly installs or updates the internal system antivirus software to carry out the virus scanning on the network access port filter and maintain the Group's internal computer safety.

Complaint Mechanism

The Group attaches importance to the opinions of all stakeholders and establishes a sound complaint mechanism to allow all stakeholders to express their opinions through this channel. The Group has established a complaint accountability system and held relevant personnel accountable for the negligence of duty and dereliction of duty in strict accordance with laws, administrative regulations and relevant provisions of the Group. Meanwhile, in order to protect the stakeholders' right to know and supervise the maintenance and appreciation of the Group's state-owned capital, the Group implements an information disclosure mechanism and discloses information in light of the actual situation of the Group.

The informants can submit the complaint letters through information networks, letters, faxes and other written forms. Each stakeholder can request information disclosure through the contact and feedback methods published on the official website. According to the content and nature of the complaints accepted by the Group, the authorized units directly involve in the complaints accept and handle those complaints within the scope of legal authority according to the procedures and time limit specified in the *Regulation on Complaint Letters and Visits*, and responding to them in writing according to the *Opinions on the Handling of Complaints*. According to the responsibilities and the nature of complaints, the Complaint Department shall handle the complaints assigned by the superior units directly by category, and transfer those within the responsibility scope of the business departments and branches to each department and branch. The procedures for handling complaints include registration, acceptance, submission, handling, urging, reporting, review, rechecking, filing and other procedures. The Group will also open a public information column on its official website and regularly disclose information.

If the informant further disagrees with the reply, he or she can submit a review application to the review department designated in the *Opinions on the Handling of Complaints* within 30 days from the date of receiving the handling results. After receiving the application, the review department will issue the *Letter of Acceptance for the Review of Complaints* to the informant and issue the *Letter of Review of Complaints* to him and her within 30 days from the date of application. The Group will regularly review the effectiveness of the *Regulation on Complaint Letters and Visits* and make adjustments every three years according to the actual situation and feedback. During the Reporting Period, no complaints were received by the Group.

10 Corporate Governance

GUIDANCE IN PARTY BUILDING

High-quality Party building can enhance the overall quality and competitiveness of enterprises, thereby facilitating corporate sustainable development. "The 14th Five-Year Plan" also emphasizes the imperative to "enhance the quality of Party building". The Group actively responds and does a good job in Party building from its own perspective, effectively transforms the advantages of Party building into high-quality development advantages, and provides a strong organizational guarantee for accelerating the construction of a top new energy enterprise.

To deeply carry out General Secretary Xi Jinping's thought on Socialism with Chinese Characteristics for a New Era, implement the *Regulations on the Work of Grassroots Organizations of State-owned Enterprises of the CPC (Trial)*, effectively enhance the construction of anti-corruption and integrity within the Group, clarify the boundaries of powers and responsibilities among various governance bodies, standardize decision-making behaviors, elevate decision-making level, mitigate decision-making risks, and ensure scientific development, we have formulated the *Implementation Measures for "Three Important and One Major" Decision-Making System in New Energy Holding Company* by combining relevant systems, documents, notification requirements and our actual situation. The term "three important and one large" refers to important decisions, important personnel appointments and dismissals, important project arrangements as well as large amount of funds operation matters. As of the end of the Reporting Period, a total of 16 Party Committees and 16 special committee meetings were convened to pre-deliberate 39 items under "three important and one large", and to approve 183 of such items.

During the Reporting Period, the Party Committee of CGN New Energy deeply studied and carried out General Secretary Xi Jinping's thought on Socialism with Chinese Characteristics for a New Era, we have implemented the high-quality theme education work in two phases, ensuring continuous engagement with the first issue of the Party Committee and the theoretical learning center group throughout the year. Each Party organization conducted theoretical study reading sessions, specialized seminars, dedicated party lessons, as well as investigations and studies resulting in comprehensive reports. The study coverage rate among all members was 100%. Our commitment to high quality was acknowledged and highly valued by both the SASAC supervision group and CGN's Party Committee during their respective supervisory visits to our theme education classes. Additionally, we organized democratic life meetings of the Party Committee centered around theme education topics while also encouraging various units to hold educational activities aligned with these themes. In order to enhance the appeal of our theme education efforts, we successfully hosted a May 4th Youth Talent Show along with a third edition of "Light of Faith", featuring classic revolutionary songs that fully showcased our staff's spirit of unity and dedication.

Additionally, in order to strengthen the construction of Party conduct and clean government, the Group incorporated the assessment of clean employment into the assessment of the responsibility system of Party building work, and issued the *Assessment and Evaluation Methods for the Responsibility System of Party Building Work of CGN New Energy*.

We will continue to fully implement the role of the Party Committee of CGN New Energy in "guiding the direction, managing the overall situation, and ensuring implementation", to strengthen the construction of grass-roots Party organizations and promote the transition of grass-roots Party organizations. At the same time, according to the development of each branch, we also promote the establishment of the general Party branch and the by-election/re-election of members of each grass-roots party group, and always maintain the sound of the Party organization, and regularly carry out organizational life.



Party Committee Theoretical Learning Center organized learning session

10 Corporate Governance

INVESTOR RELATIONS

The Group has always prioritized investor relations management, ensuring fair treatment of each investor and striving to protect their interests. We have established the Investor Relations Department, which is primarily responsible for managing investor relations, information disclosure, and other related tasks to ensure normal and orderly development of investor relations management. Internally, the Investor Relations Department assumes the responsibility of fostering a corporate culture that serves and respects investors while providing professional suggestions on investor relations management through timely and accurate analysis of capital market dynamics. Externally, the Investor Relations Department maintains the Company's reputation and positive image in the capital market through establishing stable and high quality 4R resources and effective communication and strong professional competence. To achieve these goals, sufficient internal construction work has been carried out by the Investor Relations Department.

- Continuously optimize the system process and consolidate the management foundation
- Optimize the management practices and ensure effective communication of information, enhance the overall investor relations cooperation work within the Company
- Carry out departmental work coordination, so that more departments and professionals participate in the work of investor relations

The Investor Relations Department independently formulates the annual Investor Relations Management Work Plan, analyzing the current internal and external situation to determine the principles and objectives of the annual investor relations management. It proposes specific measures and standards for annual investor communication work, and tracks implementation, aiming to continuously enhance the quality of the Company's investor relations management. Additionally, the Company has established the *Value Management Regulations* that clearly define the specific responsibilities of management and relevant departments in investor relations management as well as outline the process for carrying out such activities, thereby further promoting awareness and understanding of investor relations management among personnel at all levels.

In 2023, the Company devised and implemented the *Investor Relations Management Work Plan* to continuously explore, enhance, and innovate investor relations management, thereby improving operational transparency and fostering better interaction with investors. During the Reporting Period, we employed innovative approaches and diversified channels to bolster investor communication and enhance efficiency in our communications. Through means such as telephone conversations, receptions, email responses, WeChat interactions, among others, we patiently engaged with investors while maintaining seamless communication. Simultaneously, we attentively listened to and documented investors' opinions and suggestions while promptly addressing inquiries to improve overall investor satisfaction. In order to engage with existing shareholders and industry analysts through effective communication, we have adopted methods such as research and reverse roadshows. By providing tangible evidence and experiences, we aim to enhance investor confidence and foster a stronger sense of identification. In reaching out to potential investors, we have expanded our communication efforts by participating in brokerage strategy meetings and conducting telephone conferences. These initiatives have yielded positive results and helped us establish fruitful connections. In addition, the Company also carried out innovation in the results conference, using innovative "performance chart" dynamic data display along with a combination of "live video streaming alongside conference calls", to attract more industry analysts and investors to participate. Through the above multiple optimization and innovative communication methods, the Company has successfully delivered value and maintained a stable base of shareholders and explored potential institutional investors.



Research meeting



Reverse roadshow

10 Corporate Governance

The Company holds an annual general meeting for shareholders every year, and if necessary, we also convene special general meetings for shareholders. In 2023, the Company held an annual general meeting and a special general meeting in May and December respectively, to make decisions fairly and transparently.

At the same time, the Company actively engages in compliance approval work to enhance transparency. We diligently prepare and disclose annual reports, interim reports, and ESG reports in strict adherence to laws, regulations, and the regulatory requirements of the Hong Kong Securities and Futures Commission. This ensures that investors receive timely, accurate, and comprehensive information regarding the Company's production and operations, financial status, internal control measures, corporate governance practices, as well as other significant details. We also strictly comply with the information disclosure system by promptly preparing and disclosing provisional announcements of general meetings of shareholders along with resolutions made by the Board concerning important matters or significant events. Meanwhile, we consistently release monthly power generation updates and proactively disclose major project investments to meet capital market expectations and bridge information gaps. All disclosed information will be promptly updated in the Investor Relations section of our official website (www.cgnne.com) for investor convenience.

With a long history of investment management work, the Group received a number of investor relations related honors and awards during the Reporting Period. For details, please refer to the section entitled "Honors and awards of the group in 2023".

11 Green Operation

As a firm advocate and practitioner in the field of new energy, CGN New Energy is committed to providing society with safe, reliable, environmentally friendly, and cost-effective electricity. We strive for a bluer sky, greener hills, and cleaner water. CGN New Energy continuously carries out environmental protection management from multiple aspects, actively cooperates with the national policy of "Comprehensively Strengthen Ecological and Environmental Protection and Promote the Tough Fight for Prevention and Control of Pollution", and strives to reduce the environmental impact of the Group in the process of business development and establish a green operation model. With the distinctive features of our green energy business and an ever-improving environmental management system, we aim to promote green and sustainable development.

GREEN MANAGEMENT SYSTEM

CGN New Energy has established a complete environmental management system to support and standardize the Group's environmental management under the operational principle of "To Use Resources Wisely and Maintain a Continuing Development". The Group set up an environmental protection leadership group, which comprehensively leads the Group's environmental protection efforts. The Group's significant impacts on the environment and natural resources from its operation activities include disturbance of soil, water and vegetation during the construction of new power plants, as well as fuel consumption and emissions during the operation of some conventional energy projects. The Group has formulated the *Environmental Management System* to regulate the environmental protection matters in the early planning, engineering construction, production and operation of the project. The Group has strictly enforced management regulations on emissions, wastewater and waste, as well as management policies to reduce the adverse impact of its operations on the ecological environment. At the same time, we conduct annual environmental system assessments by combining legal regulations, national standards, requirements from higher-level authorities, and the actual business situation. We update the system provisions that do not meet the practical needs and continuously improve our system construction.

Main environmental duties of the Safety Committee under the Company, led by the President, include:

- Holding meetings regularly and approving major environmental projects of the Group
- Providing solutions to significant environmental protection issues in projects' daily operation
- Making decisions on short-term objectives and long-term planning in the environmental protection of the Group

Besides, we have set up the Safety, Quality and Environment Monitoring Department in all regional branches and independent project companies to supervise and manage the environmental protection issues of each project. We also assign EHS management personnel for the management and maintenance of environmental protection facilities in each project. Other departments of project companies play their roles under the guidance of the Safety, Quality and Environmental Department, so as to smoothly implement environmental protection policies in the Group. The close cooperation among all departments effectively achieves sustainability in operation.

11 Green Operation

For environmental efforts, we have set short-term (1-2 years), medium-term (3-5 years) and long-term (5-10 years) environmental targets according to the actual situation, and the action plan was implemented in accordance with the progress made during the Reporting Period:

Category of objectives	Environmental objectives	Indicators	Timeframe	Action plan and results	Actions taken during the Reporting Period
Air pollutant emission	Improve the efficiency of air pollution control facilities	Increase investment in environmental technology	Short and medium-term	For Nantong Cogeneration Project: In short term: 1. Replace or supplement denitrification catalyst. 2. Increase the maintenance of desulfurization facilities. 3. Build a new emergency pool for sudden environmental accidents.	In short term: 1. Replace the denitrification catalyst according to the replacement plan. 2. Carry out patrol inspection and inspection of desulfurization facilities according to the patrol plan. 3. Improve the emergency plan and disposal of sudden environmental accidents.
	Obtain the latest information on environmental technology		Short-term	In medium-term: 1. Technically transform deslagging system from a wet slag machine to a dry slag machine. 2. Overhaul and transform the electric duster and replacement of bag-type dust collector. 3. Maintain and replace bag-type dust collectors for ash silo.	In medium-term: 1. Complete the transformation of the slag dryer and reduce the generation of a large amount of wastewater, avoid the secondary pollution of the cinder transport after the transformation. 2. Complete the overhaul and transformation of all boiler electric dust removal, replace the facilities in the electric field area, and replace the cloth bags in the bag area simultaneously, which improves the dust removal efficiency. 3. Replace the ash storage cloth bag and replace it regularly as a maintenance class.
	Reduce the share of fossil fuels	Long-term		For Zhejiang Ninghai Wind Power Project, Inner Mongolia Wuhai Photovoltaic Project "Leader" Base, Wuhan Hanneng Gas Project, Mianyang Sanjiang Hydropower Project and Nantong Cogeneration Project: 1. Gain the latest information on environmental technology from the government's official website and participate in the academic training, forum or exchange meeting on environmental technology organized by the government or association. 2. Engage in regular exchange activities with the Chinese Research Academy of Environmental Sciences.	1. Get the latest policy and regulation documents from the government's official website and local government, and publicize them. 2. Participate in relevant academic training and exchanges organized by China Electric Union, Ministry of Ecological and Environmental Protection, Provincial Environmental Protection Department, etc.

11 Green Operation

Category of objectives	Environmental objectives	Indicators	Timeframe	Action plan and results	Actions taken during the Reporting Period
Greenhouse gas (GHG) emission	Trade in the carbon market	Sign cooperation agreements with enterprises/institutions to reach strategic cooperation	Short-term	For Zhejiang Ninghai Wind Power Project, Wuhan Hanneng Gas Project, Nantong Cogeneration Project: 1. Sign a cooperation agreement with a carbon asset management company. 2. Meet the need for GHG verification and participate in the trade in the Carbon Assets Market.	1. Nantong cogeneration project has signed a cooperation agreement with CGN Carbon Asset Management Company. 2. The Nantong cogeneration project actively cooperates with the annual carbon emission verification and expands the emission trading market.
	Assist in reaching peak carbon emissions and carbon neutrality	Improve the standard of carbon emission management	Short-term	For Zhejiang Ninghai Wind Power Project, Wuhan Hanneng Gas Project, Nantong Cogeneration Project: 1. Improve its professional management of carbon emissions, performance and trading through standardized carbon asset verification and management.	1. Through training and learning related to carbon emission accounting and verification guidelines, enhance the awareness of carbon emission management and improve management capabilities. 2. Nantong cogeneration project in 2021 transaction revenue of RMB15.75 million has been completed in 2023, 2023 carbon quota profit of more than 40,000 tons.
	Formulate carbon reduction roadmap planning and carbon neutrality scheme	Short-term	For Zhejiang Ninghai Wind Power Project, Inner Mongolia Wuhai Photovoltaic Project "Leader" Base, Wuhan Hanneng Gas Project, Mianyang Sanjiang Hydropower Project and Nantong Cogeneration Project: 1. Actively explore zero-carbon technology solutions with emission reduction capacity, scalability, innovation level, economy and social benefits as main KPIs.	1. Issue <i>Action Plan for Energy Conservation and Carbon Reduction of New Energy Holding Companies</i> and implement measures for energy conservation and carbon reduction. 2. Promote CGN New Energy and its subsidiaries to achieve 100% green electricity in their offices.	
	Research and develop GHG emission reduction technology	Medium-term	For Wuhan Hanneng Gas Project and Nantong Cogeneration Project:	Actively research and explore applications in scenarios. 1. Actively follow up the development route and scenario-based application of CCUS technology, and timely transform relevant equipment.	

11 Green Operation

Category of objectives	Environmental objectives	Indicators	Timeframe	Action plan and results	Actions taken during the Reporting Period
Waste generation	Increase resources recycling	Increase waste recycling rate	Short and long-term	<p>For Zhejiang Ninghai Wind Power Project, Inner Mongolia Wuhai Photovoltaic Project "Leader" Base, Wuhan Hanneng Gas Project, Mianyang Sanjiang Hydropower Project and Nantong Cogeneration Project:</p> <p>In short term:</p> <ol style="list-style-type: none"> 1. Improve the waste sorting and recycling signs and facilities in the plant and office. <p>In long-term:</p> <ol style="list-style-type: none"> 1. Strengthen the capacity to sort out and dispose of wastes, and accelerate the recycling and disposal of photovoltaic modules and fan blades. 2. Encourage employees to actively repair and recycle facilities, and set up and issue incentive bonuses for repairing and recycling. 	<p>In short term:</p> <ol style="list-style-type: none"> 1. Improve waste classification and recycling identification in plant and office areas through the major inspection of safety production and the inspection of safety, quality and environmental protection projects. <p>In long-term:</p> <ol style="list-style-type: none"> 1. Each station carries out the disposal by signing the agreement (contract) on the disposal of photovoltaic components and fan blades with the unit with solid waste disposal qualification. 2. Encourage employees to actively carry out repair work.
	Reduce waste production	Strengthen the maintenance and repairment of equipment	Short, medium and long-term	<p>For Zhejiang Ninghai Wind Power Project, Inner Mongolia Wuhai Photovoltaic Project "Leader" Base, Wuhan Hanneng Gas Project, Mianyang Sanjiang Hydropower Project and Nantong Cogeneration Project:</p> <ol style="list-style-type: none"> 1. Strengthen equipment maintenance and extend the service life of the equipment. 	According to the equipment maintenance cycle, the Group's subordinate stations regularly carry out equipment maintenance activities such as pre-test and regular inspection, semi-annual inspection and annual inspection.
Energy efficiency	Promote the development of green energy	Increase investment in renewable energy	Long-term	<p>For Zhejiang Ninghai Wind Power Project, Inner Mongolia Wuhai Photovoltaic Project "Leader" Base and Mianyang Sanjiang Hydropower Project:</p> <ol style="list-style-type: none"> 1. Accelerate the development and construction of wind power, photovoltaic, hydropower and other renewable energy fields. 	Promote the development and utilization of renewable energy in accordance with the annual development targets and construction and operation targets.
Increase energy efficiency	Transform energy-saving technology in the workplace	Short, medium and long-term		<p>For Zhejiang Ninghai Wind Power Project, Inner Mongolia Wuhai Photovoltaic Project "Leader" Base, Wuhan Hanneng Gas Project, Mianyang Sanjiang Hydropower Project and Nantong Cogeneration Project:</p> <ol style="list-style-type: none"> 1. Replace and eliminate old water pumps and motors to improve equipment efficiency. 2. Reduce the auxiliary power consumption rate. 3. Recover and utilize waste heat in the cogeneration project. 4. Increase the photovoltaic conversion efficiency by strengthening the management of photovoltaic modules in the photovoltaic project. 	<ol style="list-style-type: none"> 1. Complete the elimination of outdated mechanical and electrical equipment (products) with high energy consumption. 2. Reduce plant power consumption through daily equipment maintenance and operation optimization control. 3. In cogeneration project, the boiler set fixed discharge, continuous discharge drainage and exhaust steam recovery; The internal structure of deaerator tower head is changed to achieve the purpose of recycling waste heat. 4. Improve the availability rate of photovoltaic project by strengthening the inspection and maintenance of equipment.

11 Green Operation

Category of objectives	Environmental objectives	Indicators	Timeframe	Action plan and results	Actions taken during the Reporting Period
Water efficiency	Increase investment in water-saving facilities	Regularly check and maintain water pipes and water supply systems	Short, medium and long-term	For Zhejiang Ninghai Wind Power Project, Inner Mongolia Wuhai Photovoltaic Project "Leader" Base, Wuhan Hanneng Gas Project, Mianyang Sanjiang Hydropower Project and Nantong Cogeneration Project:	Carry out inspection and maintenance of water supply equipment and facilities according to the inspection plan and maintenance cycle to avoid the existence of leakage.
	Water-saving project at the project site	Water-saving project at the project site	Short term, medium term and long term	For Zhejiang Ninghai Wind Power Project, Inner Mongolia Wuhai Photovoltaic Project "Leader" Base, Wuhan Hanneng Gas Project, Mianyang Sanjiang Hydropower Project and Nantong Cogeneration Project:	Carry out regular sewage system maintenance and the sewage treatment system is in normal operation.
	Reduce average water consumption	Improve employees' awareness of water-saving	Short and medium-term	For Zhejiang Ninghai Wind Power Project, Inner Mongolia Wuhai Photovoltaic Project "Leader" Base, Wuhan Hanneng Gas Project, Mianyang Sanjiang Hydropower Project and Nantong Cogeneration Project:	The Company organizes and carries out Energy-Saving Publicity Week and Low-carbon Publicity Day activities every year, and carries out water-saving and energy-saving publicity activities to create a festive atmosphere.
<ol style="list-style-type: none"> 1. Regularly inspect and maintain the water supply equipment and facilities in stations/projects. 1. Maintain the sewage treatment system in the power plant/project to process and reuse sewage. 1. Carry out water-saving training and water-saving theme activities. 					

To fulfill the objectives, we will organize environmental supervision or inspection, and collect the monthly energy-saving index data required by the SASAC of the State Council, so as to effectively monitor and review the progress of the objectives.

Currently, all power projects in operation are certificated by ISO 14001 and GB/T24001-2016 Environmental Management System. The Group requires all newly acquired or completed power projects to be certified within two years after their acquisition or completion, so as to strengthen the environmental compliance of project operation. In accordance with the requirements of integrated management of quality, environment and occupational health, we also develop an environmental management system review plan, and carry out internal or external audits including environmental management at least once a year.

11 Green Operation

MONITORING AND MANAGEMENT MECHANISM FOR EMISSION AND DISCHARGE

CGN New Energy strictly complies with the laws and regulations on air and greenhouse gas emissions, discharges into water and land generation of hazardous and non-hazardous waste in the regions where we operate, including Mainland China, Hong Kong and Korea. The laws and regulations that we have complied with during the Reporting Period, as well as how the Group complies with them are listed in "Appendix I" of the Report. The Group determines the standards for wastewater and exhaust gas in accordance with national regulations or industry standards, and monitors these standards before discharging. Solid waste is also disposed of strictly in compliance with national regulations or industry standards.

Atmospheric Emissions

The main atmospheric pollutants produced by the Group, including smoke and dust, sulfur oxides and nitrogen oxides, are mainly from fuel combustion during the operation of coal-fired, cogeneration, gas-fired and biomass projects. In order to mitigate the impact of atmospheric pollutants from fuel combustion on the environment, the relevant projects of the Group have set up and operated exhaust gas treatment devices. In addition, we monitor our air and greenhouse gas emissions effectively through a comprehensive emissions monitoring system and daily management mechanism to ensure that all project companies comply with local laws and regulations on atmospheric pollutants. We formulate a strict management system to specify appropriate environmental facilities for flue gas and fume of cooking fires generated in boilers, canteen and domestic logistics, control measures for vehicle exhaust pollution, the inspection of mechanical devices, the operation and maintenance of air and greenhouse gas emission treatment facilities, and the rules for personnel operating, to ensure the emissions is up to the standards by means of internal governance.

We check and maintain the exhaust gas emission system regularly to ensure the normal operation of the emission system. In case of failure of the exhaust gas treatment system, we will immediately stop the system for maintenance and apply for suspension from the environmental protection department to minimize the impact on the environment.

Our operation of the coal-fired power plant in Mainland China has been strictly in compliance with the *Emission standards for air pollutants in thermal power plants* to ensure the emissions of smoke and dust, sulfur oxides and nitrogen oxides are below the concentration level of 20 mg/m³, 50 mg/m³ and 100 mg/m³, respectively. We reduce emissions from electricity production through measures such as improving technology and upgrading equipment to realize ultra-low emissions.

11 Green Operation

Daily management of atmospheric pollutants:

- Install boilers that comply with environmental protection requirements and implement the “Three Simultaneous” green system to meet the emission standards for boilers
- The production departments of project companies carry out regular inspection and maintenance on the exhaust gas emission system, exhaust gas treatment facilities and Continuous Emission Monitoring Systems (CEMS) online monitoring system to ensure all systems normally operate and record the inspection results
- Arrange the annual inspection of traffic vehicles to make sure the exhaust emission meet the specified standard, and take effective prevention and control measures for vehicles exceeding the standard as required
- Necessary control over the fuel used by motor vehicles, and purchase of unleaded gasoline or fuel matching mechanical properties
- Use the mechanical equipment in strict accordance with the operating instructions and relevant operating procedures of the mechanical equipment, and carry out routine maintenance

Treating atmospheric pollutants:

- Gas from boilers is emitted at height after being treated in the gas duster system
- Magnesium oxide and limestone is used to treat desulfurization
- Satisfy the NO₂ emission standard through low nitrogen burning and selective catalytic reduction (SCR) desulfurization

Monitoring atmospheric pollutants:

- Each project company hires a third-party monitoring agency to monitor the atmospheric emissions and keep records

During the Reporting Period, the Group' atmospheric pollutants emissions were as follows:

Nitrogen Oxide (NO _x)	588.68 tons, a year-on-year decrease of 14.4 % (2022: 687.66 tons)
Sulfur Oxide (SO _x)	29.42 tons, a year-on-year decrease of 38.4 % (2022: 47.78 tons)
Smoke and dust in the exhaust gas	73.02 tons, a year-on-year increase of 44.2 % (2022: 50.63 tons)

During the Reporting Period, the Group' GHG emissions were as follows:

Total GHG emissions (Scope 1 and 2) ⁵	16,224,680.93 tons of carbon dioxide equivalent, a year-on-year decrease of 2.1% (2022: 16,575,179.39 tons of carbon dioxide equivalent)
GHG emissions per MWh of electricity generated	0.85 tons of carbon dioxide equivalent, a year-on-year decrease of 1.5% (2022: 0.86 tons of carbon dioxide equivalent)

Based on the nature of the Group's business, during the Reporting Period, the Group's major GHG emissions mainly came from fuel combustion and the use of purchased electricity in the operation of some projects. This Report, therefore, focuses on the disclosure of the Group's Scope 1 (direct emissions) and Scope 2 (indirect emissions from energy use) GHG emissions for the Reporting Period. The Group will consider disclosing Scope 3 (other indirect emissions) GHG emissions in future Reporting Periods.

During the Reporting Period, we actively promoted the proportion of investment in clean and renewable energy projects and continued to expand the proportion of clean and renewable energy in the Group's equity installed capacity. In addition, each subsidiary of the Group independently conducts tree planting or carbon offset activities based on actual circumstances or in conjunction with station/project situations, further reducing GHG emissions. In the future, we will further improve our capacity structure and optimize the respective shares of clean and renewable energy projects and conventional energy projects in our electricity production, to steadily reduce atmospheric pollutant and GHG emissions and contribute to the battle for ecology and environmental protection and the mitigation of global greenhouse effects.

⁵ Include GHG emissions in Scope 1 (direct emissions) and Scope 2 (indirect emissions caused by energy use).

11 Green Operation

Wastewater Produced

CGN New Energy also manages the major wastewater produced in its operations through an established environmental management system to ensure its compliance with national and regional laws and regulations. The main wastewater produced during the operation of the Group includes wastewater from chemical treatment, sewage from the slag removal system and the sewage and coal transport system, periodic discharge of boilers as well as domestic wastewater, etc. At present, the wastewater generated by our plants/projects is primarily domestic wastewater. We disposed of it in accordance with the requirements specified in the environmental impact assessment approval, and it has not caused any significant impacts on water resources.

We do not locate the discharge outlets for domestic and construction wastewater in drinking water sources, important fishing waters, or other water bodies with special economic, cultural, or ecological values, or protected areas. We strive to meet the regulations of the places where we operate through active efforts in daily management, such as sewage management and treatment undertaken by the Production Management Department, and require each site to prepare and update the *Waste Gas Disposal Diary* along with various measures and supervision initiatives. Where there is a canteen in the station (plant), the domestic sewage treatment system should have the function of oil-water separation; otherwise, it should be upgraded or the oil-water separation device will be added at the water outlet of the canteen.

Daily management of wastewater discharge:

- The Production Management Department of each project company manages and treats the wastewater as well as makes records accordingly
- For project construction that involves wastewater discharge, the department-in-charge signs the environmental protection agreement with the contractors while the Safety, Quality and Environmental Department should ensure that wastewater is discharged in compliance with the standard

Treatment methods of wastewater:

- In the wastewater treatment system, wastewater is segmented and neutralized until it meets the standards and is discharged to wastewater treatment plants

Monitoring methods of wastewater:

- The Safety Supervision Department of each project company engages third-party inspectors to monitor wastewater discharged by project companies and maintains inspection record

During the Reporting Period, the Group's discharge of wastewater was as follows:

Wastewater 1,048,630.95 tons, a year-on-year increase of 6.6% (2022: 983,730.12 tons)

11 Green Operation

Hazardous and Non-hazardous Waste

CGN New Energy carries out comprehensive management of major wastes produced in the operation process through the established environmental management system, so as to reduce the adverse impact on the projects' surrounding environment and people's health. The main wastes generated by the Group in the process of power production include fly ash, slag, waste oil, waste paint, desulfurization gypsum, denitrification catalyst, etc.

The Group treated hazardous waste produced in strict accordance with the *Implementation Rules for Environmental Management*. The responsible department collects and stores the waste at designated warehouses. We place and store the waste at designated spots within the factory area and the keepers, trained for professional waste disposal, shall register and deliver the waste to qualified third-party institutions for further treatment and file the "five copies of the transit manifest". All sites must also establish and regularly update the *Solid and Hazardous Wastes Disposal Diary*, recycle the hazardous wastes, and keep the recycling and disposal records.

We hire professional resource recovery companies to recover reusable by-products of fuel combustion and waste gas treatment process such as fly ash and desulfurization gypsum. This approach not only reduces the impact of the waste on the environment but also lowers the Group's operating costs.

All business units of the Group are committed to the principle of "Repair and Reuse, Proper Storage, Full Utilization, Revenue-generating and Expenses Cutting" to reduce waste production during operation. The procurement departments of project companies collect waste and obsolete materials while the production management departments recycle them. Based on the principles of "Economic Reasonableness, Quality Assurance, Centralized Management and Prioritized Utilization", the Group necessarily repairs components and parts disassembled at the sites, so as to recover their functions. This substantially reduces waste production and lowers operating costs. Within our office environment, we proactively advocate for the adoption of a paperless office approach, with the objective of minimizing the generation of paper waste.

During the Reporting Period, the hazardous waste produced in the Group's operation was as follows:

Total hazardous waste produced	113,282.10 tons, a year-on-year increase of 10.0% (2022: 102,974.10 tons)
Hazardous waste produced per MWh of electricity generated	0.0059 tons, a year-on-year increase of 10.7% (2022: 0.0054 tons)

During the Reporting Period, the non-hazardous waste produced in the Group's operation was as follows:

Total non-hazardous waste produced	38,000.08 tons, a year-on-year decrease of 14.4% (2022: 44,410.52 tons)
Non-hazardous waste produced per MWh of electricity generated	0.0020 tons, a year-on-year decrease of 13.9% (2022: 0.0023 tons)

During the Reporting Period, the waste recycled in the Group's operation was as follows:

Total amount of fly ash recycled	113,160.46 tons, a year-on-year increase of 10.0% (2022: 102,852.80 tons)
Recycling rate of fly ash	100%, a year-on-year decrease of 0% (2022: 100%)
Total amount of desulfurized gypsum recycled	5,327.00 tons, a year-on-year decrease of 3.9% (2022: 5,545.00 tons)
Recycling rate of desulfurized gypsum	100%, a year-on-year decrease of 0% (2022: 100%)

In the future, the Group will further reduce the hazardous and non-hazardous wastes generated in the operation process through technical process transformation and production equipment upgrading.

11 Green Operation

USE OF NATURAL RESOURCES

CGN New Energy adopts the “Three Balances” approach where “Environmental Protection First in Preliminary Design, Striking a Balance Between Construction Progress and Environmental Protection, and Incorporating Environmental Considerations in Production”. It not only rolls out a variety of initiatives on ecological and landscape protection, atmospheric environment protection and water environment protection but also emphasizes energy and resource-saving in the operation. The Group formulates and strictly implements various internal management policies on the use of energy and water resources.

Energy Utilization

CGN New Energy adheres to the principle of efficient use of energy. During the Reporting Period, we have successfully conducted many key energy conservation technology renovation projects and continued to increase the proportion of investment in clean and renewable energy projects. Those practices have not only improved the overall energy efficiency of the Group, reduced greenhouse gas emissions, but also reduced the Group's operating costs. For example, we regularly conduct equipment operation maintenance to improve equipment utilization and reduce on-site electricity consumption.

During the Reporting Period, the major energy consumption in the Group was as follows:

Total energy consumption	17,601,035.88 MWh, a year-on-year decrease of 7.0% (2022: 18,920,680.75 MWh)
Energy consumed per MWh of electricity generated	0.92 MWh, a year-on-year decrease of 6.4% (2022: 0.99 MWh)

During the Reporting Period, the Group continued to promote the development of green energy, and its clean energy projects were steadily progressing and operating. Currently, the wind power business features comprehensive and professional services offshore and onshore. We are the industry leader in standard, systematic, and large-scale wind power development, operation and maintenance. With the increasing investment in renewable energy in the future, the energy consumption intensity of the Group is expected to decline further.

Additionally, the Company actively carries out energy conservation activities among staffs. We organize campaigns to raise awareness of energy-saving laws, regulations, and policies, as well as provide education on energy-saving scientific knowledge. We continuously enhance the consciousness of all staff members regarding conservation and environmental protection. Furthermore, we foster a culture of energy efficiency and environmental conservation, advocate the concept of civilized and efficient resource usage, and cultivate a positive atmosphere of conservation. During the Reporting Period, we organized and carried out a series of ecological and environmental protection publicity activities such as “World Environment Day”, “Energy Conservation Week” and “Low Carbon Publicity Day”, vigorously cultivated energy conservation and environmental protection culture, and promoted the improvement of energy conservation and environmental protection awareness and knowledge quality of all employees. At the same time, the company formulated and implemented training plans including energy conservation and ecological environmental protection in accordance with the *Safety, Quality and Environment Training Management Regulations*.

CASE STUDY: NATIONAL ENERGY CONSERVATION PUBLICITY WEEK

During the National Energy Conservation Publicity Week in July 2023, the Shaanxi branch of the Group organized various stations to carry out volunteer activities at the site, and brought the green and low-carbon lifestyle to thousands of households by promoting green and safe electricity consumption to the surrounding villagers, and organizing activities such as activity competitions, initiative signing, and garbage picking.



11 Green Operation

In the future, CGN New Energy will focus on the following aspects to better seize the opportunities for new energy development:

- Consolidate the safety foundation, mainly enhance the refined management in production, and further improve the safe operation and overall management efficiency of the project;
- Focus on and respond to the market electricity system reform and regional policy changes, strengthen the study on electricity sales strategy, and carry out power transactions on the basis of efficiency;
- In terms of project construction, with improving project construction quality management as the benchmark, controlling construction cost as the goal, improve project construction process management, so as to fully promote the efficient and high-quality production of the projects;
- Keep close track of the industry trend, seize the opportunities of new energy development, increase the reserve of quality resources, persist in exploring and promoting the innovation of development model, and accelerate the completion of high-quality projects.

Water Resource Management

Better water efficiency is a matter of concern for CGN New Energy in its day-to-day operation. The water consumption in the daily operation of the Group mainly comes from water for boilers in thermal power plants, equipment cooling, equipment cleaning, domestic water for on-site employees, office activities and fire-fighting activities, etc. The Group attaches great importance to the best use of water resources and reduces water consumption by using circulating water and rainwater instead of freshwater in the project, applying water-saving appliances and inspecting and maintaining the water supply system to avoid water leakage. The Group actively prevents the waste of water resources through water-saving measures. Each project company strictly monitors water meters and other facilities in the production area to prevent water leakage. At the same time, we advocate the proper use of recycled water, and rainwater and conduct other water-saving measures. Additionally, we continue to optimize the production process to reduce energy consumption while reducing freshwater consumption. We also incorporate requirements such as water conservation into the contract of construction units.

Solar photovoltaic panel components must be cleaned regularly to improve the power efficiency of solar projects. By using rainwater for washing and using intelligent robots for non-hydrating cleaning, we have met the standard for cleaning components while reducing the consumption of additional water resources.

During the Reporting Period, the water consumption in projects was as follows:

Total water used	6,296,438,986.82 m ³
Surface water (from rivers, lakes and seas) used	6,294,357,759.54 m ³
Municipal water (from tap water) used	2,067,235.60 m ³
Groundwater (from wells and springs) used	13,991.68 m ³
Water discharged back to the rivers, lakes, seas and lands after self-pretreatment and reaching standards	6,274,552,386.54 m ³
Total water consumed ⁶	21,886,600.28 m ³
Water consumed per MWh of electricity generated	1.15 m ³
Circulating water used	17,326,732.95 m ³

Water consumed per MWh of electricity generated as compared with 2022

Increased by 5.3%

In addition, since 2013 and 2014, when the eastern and middle routes of the South-North Water Transfer Project started operation, water shortage in parts of northern and eastern China has been mitigated. During the Reporting Period, most of the water-intensive projects in the operation⁷ of the Group were located in regions near rivers, lakes and seas, including Jiangsu Province, Hubei Province of China and Jeollanam-do and Chungcheongnam-do of Korea, and therefore, the Group did not suffer from any issues in sourcing water that is fit for purpose.

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The data excludes the water discharged back to the rivers, lakes, seas and lands after self-pretreatment and reaching standards and the circulating water used.
Includes coal-fired, cogeneration, gas-fired, and oil-fired projects in China and Korea.

11 Green Operation

Protection of Ecological Environment and Natural Resources

We value natural resources with a commitment to maintaining biodiversity in project development and business operation. The Group has formulated the *Implementation Rules for Environmental Management* and the *Environmental Management System* to standardize the environmental impact assessment process of project development and construction. The Group engages a qualified third party in preparing environmental impact assessment documents and water and soil conservation plans in strict accordance with the national and local *Classified Management Directory of Environmental Impact Assessment of Construction Projects* and the *Administrative Regulations on the Preparation and Approval of Water and Soil Conservation Plans for Development and Construction Projects* and will approve or record and conduct environmental impact assessment accordingly.

During the project construction, the Group takes effective measures to reduce the impact on the ecological environment and implement the "Three Simultaneties" system of environmental protection for the construction project, that is, the environmental facilities needed for the construction project must be designed, constructed and put into operation spontaneously with the main project. Meanwhile, the Group protects the environment at the site in accordance with laws and regulations, and formulates and implements water and soil conservation plans, selects the eco-friendly construction period, area and approaches favorable, protects biodiversity, and completes acceptance within the specified period. The Group strictly requires the construction unit to effectively implement the environmental protection and water conservation measures of the project, ensuring timely protection of the local ecological environment. Additionally, it emphasizes the need for adequate funding allocation towards environmental and water protection costs in order to achieve desired outcomes.

The Group will carry out pre-launch after the main works of the construction project are completed, and supporting environmental facilities will also be put into trial operation at the same time. During the pre-launch, the Group monitors the operation of those facilities and the impact of the project on the environment. After preparing the environmental impact report, the Group will check and accept the supporting environmental facilities, which can be put into use only after being accepted as qualified. The Group requires that the construction project must be designed and constructed in strict accordance with the water and soil conservation plan approved by the water administration. The water and soil conservation facilities should be accepted before the project operates. Those that have not been accepted or fail to pass the acceptance will not be put into use.

The Group attaches great importance to ecological restoration following project development. The units where each project is located will carry out ecological restoration and management according to the EIA impact report and the soil and water conservation plan. We also hire independent external professionals to assess the restoration of all habitats and analyze the impact of the project construction on the environment. For example, when building offshore wind power projects, we assess the effects on fishery resources, including tracking and monitoring how effective ecological restoration is through sample calculation, soil monitoring and water quality monitoring.

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CASE: WUHAI PHOTOVOLTAIC PIONEER PROJECT CARRIED OUT ECOLOGICAL RESTORATION AND TREATMENT OF MINING SUBSIDENCE MOUNTAIN AREAS

The Wuhai Photovoltaic Pioneer Project is located in the mining subsidence mountain area in Wuhai with poor environments. The project levels the support installation, increases water in the mountain area, sets up fences, blocks the access of livestock, and sows grass seeds in the rainy season to restore the environment, which is recognized by the Wuhai Municipal Bureau of Natural Resources which has set up a national four-wood (second-level wild plant) zone on the access road, fully acknowledging the efforts in ecological restoration by the power station.



ADDRESSING CLIMATE CHANGE

General Secretary Xi Jinping delivered a speech at the 75th United Nations General Assembly on September 22, 2020, emphasizing that strong policies and measures will be adopted to reach the carbon peak by 2030 and achieve carbon neutrality by 2060. In order to achieve the goal of carbon neutrality, and reduce air pollutant emissions, China will adjust its energy structure and actively develop a clean and renewable energy industry.

To practice the national directives on reaching a carbon peak by 2030 and carbon neutrality by 2060, and to assume the responsibilities of a centrally administrated state-owned enterprise, CGN New Energy is committed to its strategies of propelling the new energy business with the hope to secure any opportunities in the wind power industry and photovoltaic power industry. The Company also actively engaged in exchange among the industry. With reference to the framework and recommendations of the TCFD, the Group disclosed related climate risks and opportunities, as well as management and planning in four core categories of "governance", "strategy", "risk management" and "indicators and objectives".

Governance

The Safety Committee is the leading body for safety, quality and environmental protection. It leads the safety, quality and environmental protection work of the Group, including the management of climate-related risks and opportunities, and formulates the medium and long-term safety, quality and environmental plan. The Safety Committee is composed of the members of the General Manager Department, the heads of each unit, the safety directors of each branch/project company, the module directors of the Safety and Quality Department, the directors of the Safety, Quality and Environment Center from each business unit, the heads of the Safety and Quality Department from each unit and the staff representatives. The Safety Committee convenes a meeting of all members every quarter and reports to the Board on a regular basis.

At the same time, we conduct supervision and inspection of environmental management practices while also evaluating the performance of business departments and branch companies in this regard. We will integrate safety, quality and environmental management indicators into all executive performance contracts for assessment purposes, accounting for 10% weightage. It is required that the number of administrative penalties related to safety, quality and environmental protection be zero, thereby establishing a connection between environmental performance and executive compensation.

11 Green Operation

Strategy and Risk Management

Climate-related risks and opportunities

CGN New Energy incorporates climate-related issues into its operational risk assessment and management. During the Reporting Period, with the assistance of professional consulting agencies, the Company assessed, identified and confirmed the climate-related risks that may have a significant impact on the Group. The assessment results indicated no high climate risk currently. The Company has no major climate risks now, but it has medium and low-level climate risks. The medium-level climate risks identified and our countermeasures to mitigate such risks are as follows:

Climate-Related Risks	Risk Description	Countermeasures
Acute risk	The severity of extreme weather events such as typhoons and floods has increased	<ul style="list-style-type: none"> Formulated <i>Emergency Plan Drill</i> to effectively control safety risks; Held different emergency drills regularly to familiarize employees with the emergency plan; Prepared production contingency plans for relevant emergencies, such as material reserves, personnel emergency plans, and activation of emergency production processes, etc.; The natural disaster risk warnings issued by the government department were communicated to the Company promptly, and we took swift and decisive measures, such as cutting off water and power supplies, in response to the actual situation.
Chronic risk	Rainfall variability and extreme fluctuations in weather patterns	<ul style="list-style-type: none"> Established the <i>Regulations on Energy Conservation and Ecological Environment Protection</i>, took several energy-saving and water-saving measures, formulated emergency plans for flood prevention, prepared flood control materials in advance, dredged sewer pipes, added waterproof sandbags, etc.
Market risk	Changes in customer's (electricity purchaser) demand	<ul style="list-style-type: none"> Paid attention on and responded to the market electricity system reform and regional policy changes, strengthened the study on electricity sales strategy, and carried out power transactions on the basis of efficiency; Conducted various electricity trading in an overall way, and firmly maintained the strategies of propelling the new energy business with the hope to secure any opportunities in the wind power industry and photovoltaic power industry; and participated in industry exchanges, and continued to promote the development of clean and renewable energy with our technical build-ups and operation experience.
Policy and legal risk	The rise of greenhouse gas emission pricing	<ul style="list-style-type: none"> Carried out many key energy-saving technological transformation projects and continued to increase the proportion of investment in clean and renewable energy projects. The relevant practices not only improved the overall energy efficiency, reduced GHG emissions; The Group will continue to develop the clean energy market and improve the core competence to operate and maintain wind power and photovoltaic power business so as to provide safe, environmentally friendly, affordable clean energy for society.

11 Green Operation

CASE: RESISTING THE 9TH SUPER TYPHOON “SULA”

From August 31 to September 2, 2023, the 9th super typhoon “Sula” landed in South China, CGN New Energy South China Branch responded quickly and made a careful deployment to actively prevent and resist the typhoon. All units carried out inspections and hidden dangers, strengthened weak areas, and were equipped with typhoon-proof materials. More than 60 executives and staff members were on duty 24 hours a day, and the main leaders were stationed at the front line all day long to ensure that the equipment always operates below the safe wind speed during typhoon periods, and maximize the safety of wind turbines. During the typhoon, the South China Branch of CGN New Energy successfully completed the task of generating electricity, and conducted safety checks after the typhoon and resumed production in an orderly manner.

CGN New Energy is well aware that climate change brings various risks to the business, and at the same time, it also explores more new opportunities for the business. We will continue to pay close attention to related matters and deal with potential risks, seize opportunities and timely disclose information in CGN New Energy will continue to promote the development of clean and renewable energy by virtue of its own technical build-ups and operating experience. In addition, it will continue to strengthen its efforts in energy conservation and emission reduction and work together with other parties to make contributions to the effective response to global climate change.

In addition, the Group identifies and confirms significant climate-related opportunities that may have an impact on the Group from the perspective of “potential financial impact on the Group”, as shown below:

Climate-related opportunities	Description
Resource efficiency opportunities	More efficient production and distribution processes Reduce water usage and water consumption
Energy source opportunities	Use renewable energy and low-emission technologies Participate in the carbon trading market Supportive policy incentives
Product and service opportunities	Develop and expand low-emission and renewable energy projects R&D and innovation Diversified business activities Shift of market preference
Market opportunities	New market access Gain government subsidies
Adaptability opportunities	Energy substitution and diversification

The Group's overall strategy is based on the national “Dual Carbon” goal, fully aligning with the national low-carbon transition and continuously increasing the utilization of renewable energy. We continue to reinforce business development and promote technological innovation to explore more possibilities for renewable energy development. In addition, we have been reducing the overall carbon emissions in the operation by maintaining good carbon asset management. In order to more effectively regulate the management of carbon assets, the Group has developed the *Carbon Asset Management Regulations* to promote emissions reduction trading and ensure smooth carbon trading. The Group, guided by user needs and based on meeting users' needs for clean, low-carbon, safe and efficient energy use, continues to provide high-quality green energy for power users, actively participates in green power trading, practices the concept of green development with actions, and firmly contributes to the accomplishment of the “Dual Carbon” goal.

Additionally, the Group formulated the *Management Measures for Green Power and Green Certificate Trading (Trial)* to ensure the smooth development of green electricity and green certificate trading. In 2023, we provided green power for a number of major events, including the Paralympic Games, the 19th Asian Games, and the 31st World University Games, and we became the sole clean energy supplier for several major events in the country, including the China-Africa Economic and Trade Expo.

11 Green Operation

CASE: CGN NEW ENERGY REACHED A GREEN POWER COOPERATION AGREEMENT WITH THE CHINA-AFRICA ECONOMIC AND TRADE EXPO

In June 2023, Hunan Provincial Department of Commerce and CGN New Energy Hunan Branch signed a green power cooperation agreement, relying on the green power trading mechanism to deepen cooperation, to achieve the third China-Africa Economic and Trade Expo full coverage of green power, electricity zero carbon emission.



CASE: CGN NEW ENERGY ACHIEVED 100% GREEN CONSUMPTION OF OFFICE ELECTRICITY

In order to response to the policy requirements of the National Development and Reform Commission and other relevant departments regarding green consumption, implement the work deployment of CGN on promoting the use of green electricity, and effectively fulfill the social responsibility of Central Enterprises, CGN New Energy has developed a specialized plan for green electricity consumption. This plan involves a comprehensive analysis of electricity consumption patterns across all units, followed by the orderly implementation of green electricity trading and green certificate transactions based on local conditions.

We actively promote the use of green electricity in office. At present, we are currently promoting the purchase of green certificate by the Beijing headquarters and the office buildings of branches in Hunan, Hubei, Anhui, Sichuan and so on to achieve 100% use of green electricity, aiming at reducing carbon emission.

In the future, CGN New Energy will continue to play a leading role, summarize the experience of green electricity consumption, combine the green electricity trading policies of various provinces, actively cooperate with and achieve 100% green consumption of office electricity, further establish the brand image of clean energy enterprises, effectively practice the concept of green development, and contribute the efforts of Central Enterprises to achieve the goal of "Double Carbon".

Indicators and Objectives

During the reporting period, the Group's power generation reached 19,077 GWh and the new operating attributable installed capacity was 644.8 MW. The Group sets climate-related performance targets every year and monitors 100% of energy conservation and emission reduction indicators (which are focused on by SASAC). The Group organizes and carries out special inspections on environmental protection according to the indicators, and monthly collects energy-saving data required by the SASAC.

In addition, the Group implemented the national "Dual Carbon" strategy, continued to promote the development, construction, operation and maintenance of new energy projects and green and low-carbon development of the whole business chain. It is expected that the growth of new operating capacity of CGN New Energy in 2024 will remain steady.

The Group also counts and discloses GHG emissions, direct and indirect energy consumption, etc. in Scope 1 and 2 each year to more effectively assess and manage climate risk. See more in the "Comprehensive Performance – Green Operation" section of this report.

12 Caring for Employees

CGN New Energy's ongoing success depends on sustainability talent recruitment and retention. We focus on increasing employees' professional skills and improving physical and mental health at work. We are committed to maintaining a quality working environment that values integrity, diversity, cooperation and communication.

EMPLOYEE MANAGEMENT

CGN New Energy strictly complies with the laws and regulations on compensation and dismissal, recruitment and promotion, working hours, holidays and leaves, equal opportunity, diversity, anti-discrimination and other benefits, as well as laws and regulations related to the prevention of child labor and forced labor in the regions where we operate, including Mainland China, Hong Kong and Korea. The laws and regulations that we have complied with during the Reporting Period, as well as how we comply with them are listed in "Appendix I" of the Report. The Group has formulated the *Employee Handbook* and strictly abided by the internal management policies on compensation and dismissal, recruitment and promotion, working hours, holidays and leaves, equal opportunity, diversity, anti-discrimination and other benefits, and those related to the prevention of child labor and forced labor.

CGN New Energy implements the internal *Recruitment and Deployment Management Process* and arranges standardized interviews and assessments for employees during recruitment in accordance with the management system to make appointments based on merits. The Group pledges to fairly and openly treat job applicants and employees of different gender, color, nationality, ethnicity, cultural background, religious belief, family background and sexual orientations when arranging recruitment, hiring, training, rewards, promotion and development, and strictly prohibits differential treatment and discrimination in any forms. The Group provides employees with a package of benefits, including enterprise annuity, supplementary medical insurance, annual physical check, subsidies for communication and commuting, and education promotion qualifications awards. The Group also attaches great importance to effective two-way communication, and therefore it has established a feedback mechanism including disciplinary inspection, patrol inspection, functional supervision, proposals of workers' congress, proposals of trade union representatives, etc., which is implemented in accordance with confidentiality provisions in various fields. Employees can feedback on matters related to human resources through the mechanism. As of the end of the Reporting Period, the total number of employees of the Group was 2,089 (7.9% year-over-year increase), with 76 of them being ethnic minorities (5.6% year-over-year increase), representing 3.6% of total employees.

When recruiting new employees, the Group checks the applicant's identity card, academic certificates and other documents. Those who are aged 16 or under are not allowed to be employed as per laws and regulations, and whose health check results issued by recognized hospitals are disqualified to the employment standard of the Group. The Group strictly prohibits any use of child labor and forced labor. All employees are also required to fill in the *Employee's Basic Information Form for CGN* during onboard registration, and ensure the information filled in is true, legal and effective. At the same time, the Group signs labor contracts with employees to ensure that both parties reach harmonious and stable labor relations. The Group will timely repair the loopholes to avoid the same situation in the future and held the employees involved accountable in case of any violations.

During the probation period, the employee may propose to terminate the labor contract, but a written report should be filed at least three days beforehand. The Group may unilaterally terminate the labor contract if any employee is found non-compliance with the employment conditions, violation of laws and regulations, violation of the Company's rules and regulations and violation of labor discipline during the probation period.

In addition, we formulate *Employee Performance Management Rules*, conduct annual performance appraisals and assessments for all employees and arrange salary adjustments and promotions based on the competence, performance and other factors of each employee. The Group will demote or transfer the employee with unsatisfactory appraisal results in succession and will negotiate with the employee to terminate the labor contract and lawfully pay appropriate severance if such employee's further assessment is still not up to standard. The Group uniformly implements the salary management system, and all employees are entitled to performance bonuses.

12 Caring for Employees

We ensure a sound career advancement mechanism is in place for employees by implementing the labor contract, annual salary adjustment mechanism, appointment by selection, etc. At the same time, we have established a normal post system management mechanism, gradually built four sequential development channels of management, scientific research, technology and skills, focused on creating a job system that integrates career channels, post sequences and penetrating mechanisms, optimized the job qualification system that coordinates job responsibilities, qualification conditions and quality models, and increased efforts to build a sound employee career development channel system.

In order to manage the promotion mechanism of employees more effectively, we carried out a systematic reform of the human resources management mechanism, and comprehensively promoted the reform of cadre and talent team building, so as to effectively solve the problem of employee incentive and development, and allow talents to stand out. Human resources managers supervise those processes, while we continuously track the effectiveness of the mechanism and collect employees' opinions through the labor union and workers' congress. The evaluation mechanism includes indicators such as the completeness of the system, the implementation of the reform measures, the integrity of the archives account, and the effectiveness of key data indicators. In the future, we will continue to gradually explore and establish a professional talent team system in professional fields, specify the career development path for employees, train a reserve talent team with excellent business skills, technical expertise and strong capabilities, and realize the full utilization of talents. We will create a relaxed environment for senior talents to work and act as a supporting channel for them. We strive to create an atmosphere where knowledge, talents and creation are all respected. Furthermore, we encourage talents to pursue their career success and break out the institutional mechanisms unfavorable to employees' innovation and development of abilities to empower them to challenge higher goals.

CGN New Energy will provide all full-time employees with:

- Reasonable salary and considerate benefits
- Detailed job responsibilities in line with the position
- Working hours that meet the requirements of national and local laws and regulations
- Annual leave, personal leave, sick leave, marriage leave, maternity leave, etc.
- Regular performance appraisal and assessment, and comprehensive arrangement of salary adjustment and promotion
- Timely paid Insurances and Housing Fund, MPF and National Pension in accordance with relevant laws and regulations of Mainland China, Hong Kong and Korea respectively

In terms of expanding recruitment channels, we have developed diversified talent recruitment approaches to attract outstanding talents, such as online recruitment, employee referrals, talent exchange session and school promotion. CGN New Energy hopes to retain the best available personnel including the management while attracting potential talents through continuous improvement of its human resources management system, so as to secure the Group's sustainable development in terms of human resources.

Meanwhile, the Group has also expanded the management to after retirement to assist employees in transitioning to retirement life smoothly. For employees suffering from serious illnesses or long-term illnesses, the Group will implement internal retirement policies for employees in accordance with relevant national laws and regulations and in light of actual conditions. The Group also regularly organizes retirement care activities, such as special lectures on supplementary medical insurance policies, condolences on seven traditional festivals throughout the year and health check-ups.

To ensure that employees exercise their democratic management rights according to law, the Group's trade unions at all levels strictly implement the *Democratic Management System*. In 2023, the Group's trade unions at all levels held a total of 67 employee congresses and trade union member congresses, deliberating a total of 118 proposals, collecting and resolving 14 employee representative proposals. These proposals involved the Company's reform and development, operation and management, production safety, compensation and welfare, employee development and other aspects, to ensure that major matters involving the vital interests of employees were 100% discussed, and 100% of employee proposals were given feedback.

12 Caring for Employees

OCCUPATIONAL HEALTH AND SAFETY

CGN New Energy combines occupational health with daily health management, which shares the same service resources and different management, to ensure employees have a continuous and smooth service experience. Under the principle of "Overall Planning and Standard, Hierarchical Management and Early Prevention", we have established and improved the post-health check intervention and optimized the medical services for serious diseases on the basis of the employee health check and with the focus of disease prevention. The Group guided employees in remote areas to seek medical treatment online, customized special health improvement schemes for engineering/production personnel and encouraged all units to set up health centers to provide basic medicines and first-aid devices for health security.

Operational Risk Management

CGN New Energy strictly abides by the laws and regulations on providing a safe workplace and protecting employees from occupational hazards in the regions where we operated, including Mainland China, Hong Kong and Korea. The laws and regulations that we have complied with during the Reporting Period, as well as how we comply with them are listed in "Appendix I" of the Report. The Group has made and strictly implemented internal management policies on preventing employees from occupational injuries.

Electricity production and sales, the largest business segment of CGN New Energy, contribute to the largest portion of our revenue. The Group adopts different approaches to producing electricity, including solar power, wind power, gas-fired, etc., which involve a wide variety of processes and techniques for instrument operation. The safety performance assessment for each project operation has always been the top priority of the inspection and acceptance. In order to reduce the risks relating to the technical requirements of our business and sudden accidents, we always adhere to the basic operating principle of "Safety First" and ensure the safety of our employees by implementing occupational health and safety policies. During the Reporting Period, we had no record of any work-related injuries and casualties and successfully achieved the goal of workplace safety.

To strengthen the effectiveness of the Group's occupational health and safety management, we established a Safety Committee and a Safety Production, Labor Protection Committee and the Safety, Quality and Environmental Department in accordance with the *Democratic Management System* to coordinate and monitor all matters related to occupational safety and health of the Group. The Safety Committee meets quarterly, while the Safety Production and Labor Protection Committee meets semi-annually, and all workers have been represented. In addition, we have also developed a series of occupational safety and health management systems, including the *Occupational Health and Safety Management Rules*, the *Potential Safety Risks Investigations and Treatment System*, the *Hazards Sources Management Rules* and the *Safety Management System*, etc. Those policies identify workplace safety risks and potential hazards for employees and provide clear guidance to ensure the safe operation of each production process.

We actively engage employees in the development, implementation and evaluation process of the occupational health and safety system. The Group organizes the internal audit in each department to audit the occupational health and safety management system through the three-standard audit and identify problems in a timely manner. The Group establishes a Safety Production and Labor Protection Committee through the *Democratic Management System*, supervises the implementation of the suggestions and opinions reflected and proposed by the employee representatives on the inspection of workplace safety and labor protection, and reviews relevant items. If front-line employees and departments identify safety risks in the working environment, they can feed back through workers' congress, system audits, on-site safety, quality and environmental inspection, special meetings and other channels.

During the Reporting Period, the occupational health and safety management at each project region was as follows:

Project region	ISO management system development	ISO system certification	Number of accidents during the Reporting Period
China	Established	ISO 45001 certificated	0
Korea	Established	ISO 45001 certificated KOSHA 18001 certificated	0

12 Caring for Employees

We adhere to the occupational health and safety management policy of "Prevention is Better Than Cure". The Group implements the *Department Setting and Main Responsibilities Management System*, which specifies that the Safety, Quality and Environmental shall perform responsibilities according to the safety, quality and environment management requirements of the Group. The Group also has the *Safety Risk Classification Control Regulations* and requires all project companies and departments to identify all production and management hazards in a bid to develop and implement safety risk management measures before the construction starts. The Group conducts regular safety overhauls to oversee the effectiveness of those measures, such as whether the working equipment is sound and whether the front stand used for work-at-height is up to the standard.

In order to enable employees to report work-related hazards more effectively, the Group has set up a safety, quality and environmental mailbox on the home page of the intranet, publicized the hotline and mailbox, and the Safety, Quality and Environmental Department assigns personnel to answer the calls and read the email during working hours and required all branches, the Integrated Energy Management Department, the Pumped Storage Business Department, and the Engineering Business Department to post their hotline on the construction site, the preparation area, the entrance and exit of access control and staff passage, the rest room, the project department, the canteen and other eye-catching positions. All units are required to include safety knowledge during induction training for new employees and contractor training. The Group has set up an anonymous reporting channel to protect whistleblowers. As stated in the *Regulations on the Administration of Rewards and Punishments for Safety, Quality and Environment*, the information of whistleblowers is required to be kept confidential to ensure they are not subject to reprisal. Any information about the whistleblower shall not be disclosed without the consent of the whistleblower and the approval of the leaders. Any information leaked due to a violation of confidentiality will be seriously treated depending on the severity of the case according to the provisions of the Group and how serious the cases are.

The Group has stipulated in the *Safety Management System* that employees have the right to refuse orders against rules and forced risky operations and that the trade unions at all levels of the Group shall safeguard the legitimate rights and interests of the practitioners in the area of safety production in accordance with the law, conduct democratic supervision on workplace safety and provide reasonable suggestions. In the unfortunate event of an accident, the Group will set up an investigation team to analyze the current impact of the accident and determine the nature of the accident and adhere to zero defect, process-based approach, continuous improvement, and suppression of responsibility in the investigation of the accident. Also, the Group analyzes in depth the management problems, root causes, and four responsibilities of the accident, and formulates remedies and improvements to prevent the recurrence of the accident.

In addition, the Group also equips relevant employees with personal protective equipment under the national electricity industry-related standards and distributed post-specific safety tools, such as safety helmets, gloves, safety belts for work-at-height, shoes of labor protection, etc. to prevent employees from falling, being electrocuted, being injured by falling objects or being injured by other toxic substances. Safety officers from all departments supervise employees to use the tools properly and provide employees with sufficient equipment to reduce workplace safety risks.

In order to further reinforce the results of occupational health and safety management and ensure the absence of work-related casualties, CGN New Energy also develops and implements internal policies such as the *Life Red Lines of Production, Operation, and Maintenance*, *the Management Red Lines of Production, Operation and Maintenance*, the *STAR Self-check Card*, etc., for all employees in projects to learn.

The *STAR Self-check Card* is the main tool to prevent human-induced failures before conducting major operation activities:

S top	Pause or stop for a while before work
T hink	Think about the task-related risks, whether the Life Red Lines have been practiced
A ct	Start working
R eview	Check and review whether there are omissions upon completion of tasks

12 Caring for Employees

During this Reporting Period, we also set the goal of zero serious injuries, zero major equipment damage liability stories and zero environmental penalties to protect the life, health and safety of employees. We monitor the achievement of annual targets through the following measures:

- Organize regional companies to carry out a “one-to-one” risk analysis seminar and formulate targeted control measures
- Organize the release of the *Safety, Quality and Environmental Protection independent management model Construction Plan*, promote the independent management work, and further improve the self-management ability of each branch
- Focusing on safety, quality, ecological environmental protection and other safety and quality ring content to carry out safety production inspection work, covering all branches
- Carry out supervision and inspection work of all employees at different levels, and consolidate the responsibility system of all employees for safe production
- Organize all departments and business units to formulate management process maturity standards, carry out the integration review and improvement of the outstanding performance and three standard systems of all departments, and evaluate the effectiveness of the quality management system, so as to promote the improvement of the company's management maturity

Health and Safety Training

CGN New Energy not only continuously improves the risk management system but also organizes and provides a variety of occupational health and safety training for employees. Through training, employees can be more familiar with the standard working procedures and respond to unexpected work-related accidents in a timely and proper manner. All our new production personnel must accept 3-level safety education and test in terms of branch company, project company and post. All new production personnel must pass the test before entering the production and construction sites. Moreover, we also arrange occupational health and safety training activities for hired personnel, including targeted on-site assessment, accident-avoiding study, technical questions and answers, accident forecast and other on-site training and safety activities. Similarly, other related employees are required to complete a safe production knowledge test, to ensure their safety awareness can meet the requirements of the Group.

In terms of improving the ability of employees to cope with emergencies, the Group organizes training on fire safety knowledge for employees every year. We require all employees involved in the training to be equipped with “Four Understanding and Four Abilities”, including understanding the danger of fire and being able to call the firefighters; understanding fire prevention measures and being able to use fire-fighting devices; understanding firefighting approaches and being able to deal with the accident; knowing the ways to escape and being able to escape. At the same time, the Group's Safety, Quality and Environmental Department regularly provides employees with training courses related to workplace safety laws and regulations, safety management systems and other systematic courses, so that employees can fully master that knowledge. We set up a workplace safety month every year, and each project company holds workplace safety activities, including lectures and safety drills, to improve the safety awareness of all employees.

During the Reporting Period, OHS training activities organized by project companies are as follows:

Daily maintenance	<ul style="list-style-type: none"> • Three-tier safety education program for new employees • Occupational hazard and occupational health training • Training on road safety • Safety training for external contractors • Safety training for external construction contractors and workers • Safety management training for managers • Continuous training for safety engineers 	Responding to emergencies	<ul style="list-style-type: none"> • On-site first aid training • Fire safety training • Turbine technology and accident handling • Training on the emergency response plan for production employees
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12 Caring for Employees

CASE: SAFETY PRODUCTION MONTH ACTIVITIES

From June 1 to June 30, 2023, the Group carried out safety Production Month activities under the theme of "Everyone speaks safety, everyone will respond to emergencies". The activities were divided into four main topics: "spiritual thorough", "everyone talks about safety", "hidden dangers are clear" and "everyone will respond to emergencies". In terms of "everyone will respond to emergencies", the South China Branch of the Group cooperated with the local government to carry out typhoon emergency exercises for ships, involving typhoon information collection and release, organization of ship evacuation and shelter, evacuation of construction personnel ashore, helicopter rescue of injured persons falling into the water, and tugboat rescue and other scenarios. A total of 19 ships, 1 helicopter, 120 emergency vehicles and more than 400 personnel participated in the drill. Through the linkage of government and enterprise, the Group effectively improved the emergency response capacity of each unit, and also enhanced the image of local enterprises.



CASE: “NATIONAL TRAFFIC SAFETY DAY” THEME ACTIVITIES

On the “National Traffic Safety Day” on December 2, 2023, the Group planned and organized various activities with the theme of “civilized traffic, you and I walk together”. Through training, competition, hidden danger investigation and other ways, all units consolidated the foundation of traffic safety management, eliminated traffic safety hazards, eliminated vehicles with hidden dangers on the road, and held the traffic safety defense line.



12 Caring for Employees

Physical and Mental Health of Employees

CGN New Energy actively cares for and supports its employees, attaches importance to the physical and mental health development, constantly improves their work experience and happiness, and promotes the mutual development of the Company and its employees.

CGN New Energy actively responds to the national policy and the call of the CGN, deeply implements the requirements of the "Healthy China" action, attaches great importance to the construction of healthy enterprises, adheres to the people-oriented concept, and carries out the following work under the overall guidance of the Health Management Working Committee of the Group: In terms of physical health, annual physical examination of employees is organized every year, and the progress of physical examination of employees is tracked by designated specialists to ensure full coverage of annual physical examination except those who are not fit for physical examination; In terms of mental health, the Group organizes mental health themed activities throughout the year to put employee care into practice.

CASE: CARE FOR EMPLOYEE PSYCHOLOGY, PROMOTE HEALTHY ENTERPRISE CONSTRUCTION

At the end of May each year, the headquarters of the Group coordinates the "5.25 Psychological Care Festival" activity, and the branch offices jointly carry out a series of mental health care theme activities to cultivate employees' optimistic attitude and lead employees to grow. On May 25, 2023, CGN New Energy combined the daily health management findings and the actual demands of employees, and targeted the "5.25 Psychological Care Day" special series of activities to convey care for employees, help employees increase health knowledge, regulate mood, and relieve pressure, and help employees better understand themselves, accept themselves, and care for themselves.



12 Caring for Employees

CASE: CGN NEW ENERGY WON THE “NATIONAL HEALTH ENTERPRISE CONSTRUCTION CHARACTERISTIC CASE”

During the Reporting Period, CGN New Energy actively built a three-in-one employee health management system of “physical health, mental health and occupational health”, became a representative of health management characteristics, and won the “2022 National Health Enterprise Construction Characteristics Case” (158 in the country) by the China Enterprise Association.



During the Reporting Period, we conducted a “Top 10 Employee Concerns” survey campaign. We comprehensively sorted out and answered the questions related to the vital interests of employees, and responded to the feedback questions of the staff Congress and non-Party people. At the same time, we have adopted some of the opinions and incorporated them into the mechanism optimization plan.

In addition, the Company comprehensively carried out “doing practical things and solving difficulties” for employees, and constantly improved the level of human resources service. We optimized the standards of first-line subsidy projects such as Dengta subsidy and issued incentive guarantee mechanisms for some remote areas in hardship to care for and encourage employees. Second, we optimized special incentives, adding special incentives for energy storage, offshore photovoltaic, and other projects to give full play to the traction role of special incentives. We also focused on warm services, helping employees to apply for Beijing work and residence permit, to achieve 100% of the stock demand.

At the same time, the Group's trade unions at all levels also continued to promote the “I do practical things for the public” activity. In 2023, they solved 140 employee demands and carried out 863 front-line employee sympathy activities. In order to promote the healthy development of employees, we actively organized cultural and sports activities to achieve full coverage of employees of our Company and companies under the management of the Company. In 2023, trade unions at all levels of the Group and companies under the management of the Company created 171 associations and carried out 1,901 association activities, with a cumulative participation of more than 18,500 person-times.

12 Caring for Employees

TALENT NURTURING

Providing comprehensive occupational training for employees is vital for achieving mutual benefits for both employees and the corporate. CGN New Energy attaches great importance to improving the professional skills of employees and adheres to its strategy of building a strong company with talents, and strives to build a team of operation and management talents with the spirit of doers, scientific research talents with the spirit of scientists, professional and technical talents with the spirit of excellent engineers, and skilled talents with the spirit of craftsmen. We also adhere to the talent concept of "making the best use of talents and creating a better future". According to the talent training management system of CGN, combined with the business characteristics of CGN New Energy, we provide employees with free diversified vocational skills training and a clear career development path according to the skills requirements of different energy power generation projects. The Group has formulated the *Training Management System* and divided training into three categories: management training, skills training and business training. There are different types of training for different positions, and all employees have equal training opportunities. During the Reporting Period, the total training expenditure of our Company and companies under the management of the Company was RMB7.64 million.

The Group set up the business department for employee training and talent nurturing-professional company-training company, which is responsible for the overall management and implementation of training in new energy. The skill-focused training aims to improve employees' daily job skills. The Group hopes to improve employees' productivity and enhance their professional skills through such training so that employees can create value for CGN New Energy as well as secure opportunities to enhance their professional competitiveness. Besides, we also actively provide a full range of vocational skill advancement opportunities for other employees to enable every employee to make use of their talents, expand their vocational skills and enrich their self-value through diversified training courses.

During the Reporting Period, we carried out personnel training work in an all-round way, created a series of hierarchical brand personnel training projects, established five training project groups of management cadres, operation and maintenance skills, professional technology, security and high-end talents, and formed a new energy personnel training supply chain. At the same time, we developed 6 major curriculum systems, self-developed more than 200 courses and more than 70 sets of teaching AIDS, and had more than 400 full-time and part-time lecturers, building a "Talent Arsenal" to support the high-quality development of the Company.

Nurturing management talents:

The "Egret•Wing-fluttering Scheme" and "Egret•Wing-enriching Scheme" are the key training programs of the Company for middle-level reserve cadres, aiming to provide a rich reserve of management talents for the Company's sustained high-quality development and multi-business expansion by increasing the training of young cadres, to ensure the continuous supply of management talents. Both schemes use returning practice, tutor guidance, temporary/post rotation, online learning, independent reading and other learning methods throughout the entire learning process to ensure the transformation and effect of learning.

12 Caring for Employees

CASE: EGRET•WING-ENRICHING SCHEME

During the Reporting Period, the Group held phases 5 and 6 of the “Egret•Wing-enriching Scheme”, with a total of 85 grassroots reserve cadres participating in the training. The theme of the training was “Continuous self-development, stimulating the potential of the team” and involved a series of training courses to strengthen the sense of execution and promote the development of the organization.



The fifth phase of the Egret•Wing-enriching Scheme



The sixth phase of the Egret•Wing-enriching Scheme

12 Caring for Employees

CASE: EGRET•WING-FLUTTERING SCHEME

During the Reporting Period, the Group conducted phase 4 and phase 5 training courses under the "Egret•Wing-fluttering Scheme", with a total of 80 middle-level reserve officers participating. "Egret•Wing-fluttering Scheme" aims to improve the comprehensive quality and ability of middle-level reserve cadres, and continue to do a good job in the construction of cadre echelons.



The fourth phase of the Egret•Wing-fluttering Scheme



The fifth phase of the Egret•Wing-fluttering Scheme

Besides, for fresh graduates, the Company has a school recruitment of new employees "Egret-Hatching Scheme" to help new employees recognize CGN culture, improve professional literacy, cultivate team spirit, master professional skills, and successfully achieve role transformation.

12 Caring for Employees

CASE: EGRET·HATCHING SCHEME

During the Reporting Period, CGN New Energy held the “Egret-Hatching Scheme” training camp for new employees recruited from campus in 2023 to guide the future development of new employees through the design of diverse learning content.



The opening ceremony of the “Egret-Hatching Scheme”

Nurturing technical talents:



The project companies implement the Group's plan to train professional technicians and operation, maintenance and repair personnel. They form a training system for clean energy talents, including the training organization and management system, training authorization system and training support system, so as to help employees master professional skills in an all-around way.

In addition to internal training, the Group sponsors external training for employees. The *Training Management System* explicitly supports all employees to obtain professional degrees or skill certifications. As long as the training is approved by the departments, employees' training costs will be reimbursed. The Group also works with external educational institutions to offer different training for employees. The Group also cooperates with external educational institutions and schools to provide different types of training to its employees. During the reporting period, the Group cooperated with the Hubei Technology Training Center of State Grid (Wuhan Institute of Electricity) and the College of Water Resources and Hydropower of Xi 'an University of Technology to further improve the quality of talent training in the new energy industry.

12 Caring for Employees

In order to further enhance the development of highly skilled talents, deepen the integration of production and education, foster school-enterprise cooperation, and ensure a steady supply of talents for CGN's strategic new energy initiatives, a signing ceremony was held at the Hubei Technology Training Center of State Grid (Wuhan Institute of Electricity) for the collaborative training program aimed at nurturing new energy professionals.



Signing ceremony of cooperation training of new energy talents for integration of production and education

In order to implement the "talents empower enterprise" strategy, promote the deep integration of education and industry, deepen school-enterprise cooperation, and continuously improve the quality and level of talent training, CGN New Energy signed a talent training cooperation agreement with the School of Water Resources and Hydropower of Xi 'an University of Technology, and held the opening ceremony of the "Nuclear New" camp with the theme of "enhancing core competitiveness and cross-integrate new models".



The opening ceremony of the "Nuclear New" camp

13 Business Operation

Adhering to the concept of win-win cooperation, CGN New Energy has engaged in a wide range of partnerships with many enterprises and research institutions specializing in non-nuclear clean energy and stays updated on industry trends. The Group works together with business partners to jointly overcome challenges and continuously promote the win-win development of the new energy industry and make contributions to social progress. In addition, we strive to select business partners who mirror our values and our commitment to sustainability.

CGN New Energy strictly abides by the laws and regulations on privacy matters relating to products and services provided and methods of redress in the places where we operate, including Mainland China, Hong Kong and Korea. The laws and regulations that we have complied with during the Reporting Period, as well as how we comply with them are listed in "Appendix I" of the Report. The Group has established and strictly implemented internal management policies on the protection of customer privacy and environmental and social risks in the supply chain. Due to the business nature of the Group, health and safety, advertising and labeling issues concerning the supplied electricity are not applicable to the Group.

SUPPLY CHAIN MANAGEMENT

As an essential part of the quality assurance during the operation, suppliers play an important role in supporting our business development. CGN New Energy takes "Safety First, Quality Foremost, Pursuing Excellence" as the basic principles of corporate operation and development and "Precise Enacting, Orderly Execution and Efficient Monitoring" as the system philosophy. We are committed to maintaining a good collaborative relationship with our suppliers and have formulated and implemented relevant systems based on the policy of "mutual benefit, common development, environmental protection, benefits to people" to standardize the performance of both sides and achieve the goal of harmonious development featuring mutual benefit and win-win.

In supplier introduction, CGN New Energy conducts reviews on the rationality and necessity of supplier introductions at various levels of its business departments. The qualification review of suppliers for public bidding procurement is conducted by the Evaluation Committee, while for non-public bidding procurement, it is jointly carried out by the business, technical, financial, and quality departments. Only suppliers who pass the qualification review are eligible to sign contracts, and this practice applies to all types of business suppliers. During the reporting period, we have implemented this practice for 1,114 suppliers. In 2023, we collaborated with 4,330 suppliers from Mainland China, Hong Kong, and South Korea, mainly covering three types of suppliers including fuel projects, engineering projects and general equipment services.

In order to standardize the procurement process, we have developed a strict supplier performance evaluation management method, which fully considers the supplier's performance in various aspects. The supplier performance evaluation covers at least seven dimensions, including technology, quality, cost, delivery, service response, environmental protection and social responsibility, and carries out evaluation work regularly. For suppliers whose contracts are being enforced, performance assessments are arranged at least once a year by each major subsidiary company. The evaluation results will be used as the basis for supplier qualification and subsequent procurement review. We give priority to suppliers with an outstanding performance. On the contrary, we will consider terminating cooperation with suppliers with poor performance.

We have been promoting the green supply chain, requiring suppliers to comply with the relevant laws and regulations on environmental protection and fulfill their contractual obligations on environmental protection, and be responsible for the environmental damage, personal injury and property loss caused by violating the laws and obligations agreed in the contract. Suppliers shall prepare environmental protection measures and plans according to the environmental protection work content agreed upon in the contract. This practice mainly covers suppliers during the construction period, to ensure suppliers comply with environmental protection requirements. At the same time, we stipulated in the *Implementation Rules for Environmental Management* that all units, when formulating corporate development strategies and selecting suppliers, should fully consider the factors of energy conservation and environmental protection, timely release guidelines on the implementation of green industrial chain, and make every effort to implement the green design, green procurement, green construction, and green operation and maintenance strategies. We actively implement green procurement and do not purchase products that are listed in the "high pollution and high environmental risk" product list in the *Comprehensive Catalogue for Environmental Protection* formulated by the Ministry of Ecology and Environment, as well as products or the production processes and equipment that are listed in the *Guidance Catalogue for Some Industrial Industries to Eliminate Backward Production Technology Equipment and Products* published by the Ministry of Industry and Information Technology.

For environmental and social risks, we have incorporated them into the *Supplier Management Practices* and the *Supplier Qualification Process*. When conducting supplier evaluation management and dealing with misconduct, we will identify the environmental and social risks of suppliers, including whether the suppliers have violated major safety, quality and environmental accidents, their ability to comply with the contract, and whether there are statements or behaviors that are detrimental to the major interests of the country. When identifying instances of supplier misconduct, the Group will immediately initiate a process for addressing such behavior to control risks. This process may include, but is not limited to, issuing warnings, notifying and criticizing the supplier, implementing corrective actions, imposing bidding restrictions, and placing the supplier on a blacklist. During the Reporting Period, the Group recorded a total of nine instances of supplier misconduct involving 17 suppliers. We have conducted a timely investigation and taken disposal measures against the supplier, and the corresponding disposal results have been recorded in the CGN ECP system. At the same time, we regularly carry out supplier post-evaluation every year, and classify suppliers according to the evaluation results. Therefore, the environmental and social risks of suppliers identified in the evaluation will be one of the factors affecting the classification of suppliers, and we may even consider terminating the partnership with them in serious cases.

13 Business Operation

In order to improve the environmental and safety awareness of our suppliers, we have signed the *Supplier (Outsourcing Project) Environmental and Safety Control Agreement* with each supplier to monitor their ESG performance, reduce pollution and avoid safety accidents during production processes. The aforesaid agreement has stipulated the Group's requirements regarding environmental protection and OHS. We lawfully deal with the serious pollution caused by suppliers and terminate the contract accordingly. In the process of construction, we will standardize the production and operation behavior of employees from each constructor in accordance with the *Management and Assessment Measures on Outsourcing Safety Production* and clarify the assessment rules and the handling of all kinds of workplace safety violations and misconduct.

Approaches adopted by CGN New Energy to review the qualifications of suppliers:

Document Review	On-site Review	Other Review
Send documents on qualification review to suppliers, and identify their tendering qualifications and ability to fulfill the contract according to the documents returned by suppliers. The major assessment criteria include suppliers' basic qualifications, relevant performance, safety, quality and environmental conditions, technical skills and financial status.	For suppliers that require on-site review, such review will be carried out after passing the document review, and according to needs of the suppliers' safety, quality, environment, technology and business at their operating location. Suppliers are classified according to the type of products to be supplied, a corresponding review strategy will be implemented and independently written comments will be issued accordingly.	Due to the difference in business nature, each subsidiary may refer to the by-laws and entrust external organizations to carry out the review, streamline the review process, be exempt from review, or adopt other special review approaches.

Suppliers are classified as "potential suppliers", "qualified suppliers" and "restricted suppliers" for management. "Potential supplier" refers to the CGN ECP members who have not passed the qualification review or whose qualification review has expired, while "qualified supplier" refers to the suppliers who have passed the qualification review or re-assessment in the right product category, and "Restricted supplier" refers to those who have been suspended from assessment or banned from use due to restrictive measures such as blacklisting, debarment, bid restriction, and temporary freeze, including those involved in improper bidding, bribery, a serious breach of contract, serious liability incident, serious negative social review, and other undesirable behaviors. We manage that misbehavior and integrate anti-corruption into the supplier code of conduct, so the supplier's integrity is one of the important factors. When we make contracts with all suppliers, it is stipulated that the suppliers should sign a commitment to integrity for construction projects, to ensure that the suppliers promise to prevent any illegal and disciplinary behaviors of seeking improper interests in the process of cooperation. In the process of bidding or contract dispute resolution, we will also assess whether suppliers have engaged in dishonest practices such as bribery, threats or intimidation against employees or their stakeholders. If a supplier is listed as a Restricted Supplier, we may prohibit or restrict business dealings with our affiliates.

The "qualification review status" of suppliers is marked on the ECP system based on the aforesaid principles. We only signed contracts and orders with qualified suppliers that have passed the qualification review. At the same time, we further subdivide the qualified suppliers into three categories, so we purchased projects, goods, and services from suppliers within the qualified level and category.

In addition, we also provide safety training and guidance to some of our suppliers to reduce potential risks in their operations, so as to ensure the long-term stable operation of the Group. During the Reporting Period, we also held the 2023 "Devotion to Craftsmanship with Original Aspiration" bidding and procurement skills competition, aiming to stimulate the initiative of the majority of employees and drive all contract business personnel to improve their business skills. The competition included individual and team competitions, with a total of more than 120 contract business personnel participating.



"Devote to Craftsmanship with Original Aspiration" bidding procurement skills competition

13 Business Operation

OPERATIONAL QUALITY ASSURANCE

We are committed to maintaining the quality of business operations, regularly reporting to the Board on the operation and market, and striving to continuously optimize the operation strategy and maintain the security and stability of the power grid. The Group fully embodies its market awareness in three aspects by strengthening its business strategy, seizing market opportunities, and enriching marketing means and practically improving its ability to adapt to and serve the market.

In terms of system, the Group takes the first-level system of the *Electric Power Marketing Management System* as the guiding principle, guided by market users, has developed a sound guarantee system for electric power trading and market-oriented service business, which ensures compliant business development. During the Reporting Period, the Group revised the *Regulations on Customer Management of Power Marketing Business*, the *Regulations on the Management of Grid-Connected Operation and Auxiliary Services* and the *Measures on the Management of Intermediary Services of Power Marketing Business*, and formulated a series of management measures such as the *Regulations on the Management of the Purchase and Sale Business of Power Selling Companies* to further improve the institutional construction of power trading and market-oriented service business.

In terms of trading core capacity, the Group has now built an integrated power forecasting platform and auxiliary decision-making system, which is coordinated with more accurate power forecasting capability through continuous optimization of algorithms. The output reporting curve is optimized in the day-ahead and intraday market to ensure better service for external power supply and market users in the future.

In terms of technological innovation, the Group has carried out research on the application of "energy storage" technology in spot trading and auxiliary service scenarios in view of the intermittent characteristics of new energy output. The pilot project has been put into operation to provide technological innovation for the safe and stable operation of the power grid. In addition, to alleviate the pressure of power grid regulation, the Group is building a virtual power plant operation platform, based on demand-side response policies in Hunan, Shandong, Shanghai and other places, to deeply explore user-side adjustable resources and make positive contributions to the construction of China's new power system.

INTELLECTUAL PROPERTY RIGHTS AND PRIVACY

We attach great importance to the protection and management of intellectual property rights. All employees of CGN New Energy should protect the Group's intellectual property rights, abide by all relevant laws and regulations and respect other institutions and individuals' intellectual property rights. The Group strictly implements the internally-made *Employee Handbook* and the *Employee Code of Conduct* to practice internal intellectual property rights management measures. At the same time, the Group issued the *Intellectual Property Management Measures*, which set out the management process of intellectual property acquisition, protection, change and licensing, and implemented the full-cycle intellectual property management of scientific research projects to continuously improve the intellectual property acquisition ability and protection awareness of employees. The Group also regularly updates and improves the *Intellectual Property Management Measures* according to the development situation and actual needs.

In addition, we strictly manage client information and encrypt work data. The Group formulated the *Regulations on Customer Management of Power Marketing Business* to clearly regulate customer information management. We obtain customer information through legal and compliant means and conduct specialized management for customer information. Except for special circumstances and approval of the Group, non-post employees are not allowed to ask for customer information. When cooperating with power users, the Group will also sign confidentiality agreements or agree confidentiality clauses, and carry out relevant business cooperation on the basis of confidentiality agreements to fully protect the privacy and security of both parties. During the Reporting Period, there was no breach of customer privacy or loss of customer data or confirmed complaints received by the Group.

14 Giving Back to the Society

As a responsible corporate citizen, CGN New Energy is dedicated to fostering mutual benefits for the communities in which it operates. We actively enhance our engagement with the local community through project operations, proactively assess the requirements of community development, and foster social harmony. The Group has established and strictly adheres to internal management policies concerning communication with the community related to operations. Moreover, through its own operations and public welfare investments at project sites, the Group endeavors to improve the livelihoods of individuals residing nearby as well as those in need. At the same time, we aspire to instill hope into future generations within local communities while injecting sustainable development into society's forthcoming trajectory.

During the Reporting Period, community investments of CGN New Energy were mainly in rural revitalization, support for educational development, and emergency disaster relief. With the advantages of industrial layout in the country, CGN New Energy has practiced the solemn commitment of "building a project, improving the environment, developing the local economy, and benefiting the people". It has not only firmly carried out key work such as fixed-point assistance of Central Enterprises and provincial and regional assistance, but also proactively implemented public welfare projects such as education and assistance, improving people's livelihood, helping the needy, and rescue and disaster relief. We always resonate with the project location and work together to help rural revitalization, public welfare and common prosperity.

RURAL REVITALIZATION

As China's economy continues to grow, CGN New Energy hopes that people can share the fruits of development. While the country is actively promoting the revitalization work, we are also aware in line with the country's policies, that some townships and counties still lag in development and require more resources to sustain their livelihoods. We hope that people will be satisfied, and their lives will gradually improve.

CGN New Energy actively fulfills its social responsibility as a Central Enterprise while rapidly developing high-quality new energy businesses. CGN New Energy makes targeted efforts in revitalization, upholds its distinctive ideas "Do Things and Take Responsibilities" and contributes to industrial revitalization. During the reporting period, CGN New Energy made contributions to rural infrastructure construction and rural livelihood security, continuously mapping out a compassionate roadmap for industrial revitalization nationwide.

14 Giving Back to the Society

CASE: IMPROVE THE APPEARANCE OF VILLAGES AND HELP INFRASTRUCTURE CONSTRUCTION

In 2023, the Group actively implemented the joint support work of “100 enterprises revitalizing 100 villages” in Haixi Prefecture of Qinghai Province, and donated RMB350,000 to support 7 villages to carry out rural revitalization work, including Dongshan Village and Dongsheng Village in Xiangride Town, Dulan County, Chamukang Village in Xinyuan Town, Na'erzha Village in Longmen Town, and Qatong Village, Kuaierma Town, Tianjun County, Tuohai Village in Keke Town, Wulan County, and Daiersen Village in Huatugou Town, Mangya City, to improve village appearance and infrastructure.



CASE: REVITALIZE DONATIONS TO ENSURE PEOPLE'S LIVELIHOOD

In 2023, the Group donated RMB150,000 to the Lianshui Charity Federation of Huaian City, Jiangsu Province, and also donated another RMB150,000 to the People's Government of Liulaozhuang Town, Huaiyin District, Huai'an City. It aims to support local social welfare initiatives, such as healthcare and livelihood security, enhancing local infrastructure development and promoting rural revitalization. The Group is committed to empowering society with its heartfelt efforts to establish a strong corporate brand image, enhance regional value, and effectively drive rural revitalization at the grassroots level.



In addition, during the Reporting Period, the Company's two rural revitalization short videos, “The Strong Wind Brings Happiness” and “Garu’s Diary”, won the second prize in the China Electric Power Spirit theme micro-video competition. These videos promoted the spirit of electricity and further shaped the image of a Central Enterprise that is committed to assuming social responsibility.

14 Giving Back to the Society

SUPPORTING EDUCATIONAL DEVELOPMENT

CASE: IMPLEMENT THE “EGRET CLASS” EDUCATION ASSISTANCE PROGRAM AND CONTINUE TO CONSOLIDATE THE ACHIEVEMENTS OF THE ASSISTANCE

In 2023, CGN New Energy continued to implement the “Egret Class” education assistance project in Xili Primary School, Xinhua Town, Leye County, Guangxi Zhuang Autonomous Region, and carried out a total of 11 activities in four categories, including egret growth camp, egret teacher camp, egret care camp, and egret expansion camp. These activities include summer camps, recreational activities, teacher training, egret lecture hall, teaching relay, pairing assistance, supplementary meals, Little Egret Reading Club and so on.

In 2023, we selected 15 employees to support teaching in schools, and 19 grass-roots Party organizations participated in pairing assistance for left-behind children. Our employees voluntarily donated more than RMB20,000 as assistance funds and also donated more than 530 books and more than 70 emergency supplies. At the same time, CGN New Energy introduced external assistance funds of RMB20,000 to address the issue of limited access to hot water for boarding students. The implementation of the “Egret Class” educational assistance project effectively supplemented the faculty of the school, expanded the students’ horizons, stimulated the students’ enthusiasm and initiative in learning, and achieved initial results. As of December 2023, the “Egret Class” educational assistance project benefited more than 150 students.



14 Giving Back to the Society

CASE: DONATE FUNDS TO PROMOTE THE BALANCED DEVELOPMENT OF EDUCATION IN ETHNIC MINORITY AREAS

In order to support the development of education in Delingha, Qinghai Province, and allow students in ethnic areas to obtain high-quality educational resources, CGN New Energy and Delingha Experimental Primary School formed a school-enterprise joint construction to help each other, and carried out a three-year educational action. In August 2023, CGNN New Energy donated RMB500,000 to Delingha Experimental Primary School, with a total donation of RMB1 million up to now, which is used to improve the teaching infrastructure of Delingha Experimental Primary School, improve the conditions and quality of the school, and enrich the second classroom for students. Through the donation program, about 830 students have benefited, including 270 students from ethnic minorities. In September 2023, Delingha Municipal People's Government issued the honorary certificate of "School-Enterprise Partnership Caring Enterprise" to CGN New Energy.



RESCUE AND DISASTER RELIEF

Apart from contributing to rural revitalization and supporting educational development, CGN New Energy actively engages in rescue and disaster relief efforts, demonstrating its commitment to fulfilling social responsibilities through tangible actions.

14 Giving Back to the Society

CASE: EXTEND A HELPING HAND IN FLOOD RELIEF, BRAVELY TAKE ON RESPONSIBILITIES

In August 2023, affected by Typhoon "Dusuri", Renze District of Xingtai City, Hebei Province suddenly fell a heavy rainstorm, and tens of thousands of people in Renze District urgently moved to safety, and the form of flood control was severe and complicated. In order to effectively fulfill the social responsibilities of Central Enterprises, CGN New Energy actively responded to the *Proposal on Assisting Rescue and Disaster Relief and Post-disaster Reconstruction Work* of Renze District People's Government of Xingtai City, and donated RMB100,000 to Xingtai Charity Federation for rescue and disaster relief and post-disaster reconstruction work of Renze District, fully carrying forward the traditional virtue of "when one is in trouble, support comes from all directions" and demonstrating the social responsibility of Central Enterprises with actions. The local government also thanked us for extending a helping hand at the critical moment, and awarded us an honorary certificate of "flood control and disaster relief, caring enterprise".



14 Giving Back to the Society

CASE: EMERGENCY DONATION OF EARTHQUAKE RELIEF FUNDS TO SUPPORT EARTHQUAKE RELIEF IN GANSU

At 23:59 on December 18 2023, a 6.2-magnitude earthquake struck Jishishan County, Linxia Prefecture, Gansu province, at a depth of 10 kilometers. The earthquake killed more than 100 people, water, electricity, transportation, communications, housing and other infrastructure suffered severe damage. After the earthquake, the Party Committee of CGN New Energy resolutely implemented the important instructions of General Secretary Xi Jinping and the requirements of Premier Li Keqiang. We firmly adhere to the principle of putting people and lives at the first place, and promptly responded by initiating emergency plans. We strengthened information reporting, made all-out efforts to carry out earthquake relief work, and donated RMB10 million to the affected areas to support earthquake relief and home reconstruction, which highly demonstrates CGN's social responsibility. In addition, all the staff of CGN New Energy Gansu Branch also extended a helping hand and helped each other, donating more than RMB30,000 to contribute love for the reconstruction of the disaster area.



During the Reporting Period, the Group's investment in the community:

Investment in community/public charity

RMB12,325,000

15 Comprehensive Performance

In terms of performance data statistics and presentation, the Group adopts the “operational control” approach to define organizational boundaries. The statistical and calculation methodology used in the Report are appropriately indicated. Past data and information on some indicators have been sorted out and presented. As the scope of the projects where ESG-related data are collected in 2023 expanded on the basis of 2022, data for some indicators were changed from previous years. The “N/A” in each list indicates that the relevant data are not in accordance with *GRI Sustainability Reporting Standards* or disclosed or not counted in the year or that the data are not applicable for comparison. Unless otherwise stated, the data provided in this section are the aggregate data in the corresponding year or the data as of December 31 in the corresponding year in relation to the Group’s projects with operational control and offices in Mainland China, Korea and Hong Kong.

CORPORATE GOVERNANCE

Economy and Governance

Economic performance:

Indicator	2023	2022 (Restated) (Note 1)	2021 (Restated) (Note 2)
Revenue (US\$'000)	2,192,977	2,430,056	1,775,305
Operating profit (US\$'000)	552,493	589,652	479,596
Net assets (US\$'000)	1,688,559	1,499,556	1,495,211
Earnings per share (US cents) ⁸	6.24	4.55	5.69
Income tax (US\$'000) ⁹	72,895	58,571	34,066

Note 1: The Group has initially applied the amendments to International Accounting Standard 12 at 1 January 2023. Under the amendments, the comparative information is restated.

Note 2: The Group has initially applied the amendments to International Accounting Standard 16 at 1 January 2022. Under the amendments, the comparative information is restated.

Preventing bribery and anti-corruption:

Indicator	2023	2022	2021
Number of cases involving bribery, extortion, fraud and money laundering	0	0	0

BUSINESS OPERATION

Product and Service Quality

Operational performance:

Indicator	2023	2022	2021
Number of cases in which operations are suspected of infringing intellectual property rights	0	0	0

⁸ Refers to basic and diluted earnings per share of the Company.
⁹ Refers to the Company's income tax expense for the year.

15 Comprehensive Performance

Number of suppliers and the region where they operate:

Indicator	2023	2022	2021
Total number of suppliers	4,330	3,157	2,067
Mainland China	3,885	2,771	1,704
Hong Kong	0	0	0
Korea	445	386	363
Other countries and regions	0	0	0
Total number of suppliers where the practices are being implemented	1,114	1,651	1,449

GREEN OPERATION¹⁰

Emissions and Discharge

Atmospheric pollutant emissions:

Indicator	2023	2022	2021
NO _x (ton)	588.68	687.66	752.43
SO _x (tonne)	29.42	47.78	47.52
Smoke and dust in exhaust gas (ton)	73.02	50.63	36.73

GHG emissions:

Indicator	2023	2022	2021
Total greenhouse gas emissions (Scope 1 and 2) ¹¹ (ton CO ₂ eq))	16,224,680.93	16,575,179.39	16,976,244.14
Scope 1			
CO ₂ (ton)	3,351,746.38	3,653,959.88	4,018,559.49
CH ₄ (ton)	967.54	1,073.45	1,129.17
N ₂ O (ton)	1,184.39	1,329.04	1,469.27
SF ₆ (ton)	532.03	532.03	532.03
Reduction of trees' emissions ¹²	53.13	53.71	91.13
Scope 2			
CO ₂	29,421.01	36,240.23	34,023.57
Intensity			
GHG emissions in total per MWh of electricity generated (ton CO ₂ eq)	0.85	0.86	0.93

¹⁰ The annual environmental data from the power plants/projects varies from previous years as a results of the different situation of generator set inspection and maintenance, market demands and power dispatch.

¹¹ Scope 1 GHG emissions are calculated based on the global warming potential values of the IPCC Fifth Assessment Report, and are presented in carbon dioxide equivalent. Scope 2 GHG emissions are calculated based on relevant conversion factors provided by the international environmental group *China Power Industry Development Report 2023 and Guidelines for Accounting Methodology and Reporting of Greenhouse Gas Emissions by Enterprises – Power Facilities (Revised in 2022)*.

¹² The tree emission reduction data are calculated based on the conversion factors provided by the Hong Kong Environmental Protection Department and the Hong Kong Electrical and Mechanical Services Department.

15 Comprehensive Performance

Amount of non-hazardous waste generated:

Indicator	2023	2022	2021
Total non-hazardous waste produced (ton)	38,000.80	44,410.52	40,466.81
Boiler slag (ton)	32,172.49	38,395.25	35,733.19
Desulfurized gypsum (ton)	5,327.00	5,545.00	4,317.00
Waste/domestic waste (ton)	378.11	361.28	381.82
Waste paper (ton)	6.44	10.49	8.29
Iron scrap (ton)	116.76	98.50	26.51

Intensity
Non-hazardous waste produced per MWh of electricity generated (ton)

Amount of hazardous waste generated:

Indicator	2023	2022	2021
Total hazardous waste produced (ton)	113,282.10	102,974.10	98,803.32
Waste battery (ton)	13.60	15.37	6.66
Waste oil (ton)	69.69	68.06	77.84
Waste paint (ton)	0.23	0.35	0.92
Waste insulation materials (ton)	38.12	37.62	7.37
Fly ash (pulverized fuel ash) (ton)	113,160.46	102,852.80	98,710.53

Intensity
Hazardous waste produced per MWh of electricity generated (ton)

Wastewater discharge:

Indicator	2023	2022	2021
Wastewater (ton)	1,048,630.95	983,730.12	630,703.75

Intensity
Wastewater discharged per MWh of electricity generated (ton)

Compliance with emission and discharge:

Indicator	2023	2022	2021
Number of cases involving illegal emissions and discharge of pollutants into the environment	0	0	0

15 Comprehensive Performance

Use of Energy and Resources

Energy consumption¹³:

Indicator	2023	2022	2021
Total energy consumption (direct and indirect energy) (MWh)	17,601,035.88	18,920,680.75	20,406,574.39
Direct energy			
Coal (MWh)	4,903,097.00	4,896,799.13	5,313,148.06
Natural gas (MWh)	10,403,761.61	11,738,912.24	13,303,576.23
Total direct energy (MWh)	15,306,858.61	16,635,711.36	18,616,724.29
Indirect energy			
Coal gas (MWh)	14.91	20.43	25.12
Gasoline (MWh)	3,240.52	3,035.49	3,594.89
Diesel (MWh)	590.18	453.16	214.79
Fuel oil (MWh)	104,307.49	76,942.00	82,595.25
Liquefied petroleum gas (LPG) (MWh)	135.69	174.03	171.12
Wood pellets (MWh)	2,130,219.27	2,139,122.51	1,643,680.62
Purchased electricity (MWh)	55,669.20	65,221.77	59,568.31
Total indirect energy (MWh)	2,294,177.27	2,284,969.39	1,789,850.10
Intensity			
Energy consumed per MWh of electricity generated (MWh)	0.92	0.99	1.12

Water consumption:

Indicator	2023	2022	2021
Total water intake (m ³) ¹⁴	6,296,438,986.82	7,111,258,855.96	7,949,734,723.60
Surface water(m ³)	6,294,357,759.54	7,109,213,662.28	7,947,906,553.00
Municipal water (m ³)	2,067,235.60	2,030,391.00	1,805,468.60
Ground water (m ³)	13,991.68	14,802.68	22,702.00
Amount of water discharged into the natural environment after pre-treatment (m ³)	6,274,552,386.54	7,090,354,842.28	7,931,959,714.40
Total water consumption (m ³) ¹⁵	21,886,600.28	20,904,013.68	17,775,009.20
Intensity			
Water consumed per MWh of electricity generated (m ³)	1.15	1.09	0.98
Other			
Circulating water (m ³)	17,326,732.95	17,567,461.11	20,186,259
Proportion of circulating water ¹⁶	79.2%	N/A	N/A

¹³ Energy consumption data were calculated based on the amount of purchased electricity and fuels consumed and relevant conversion factors provided by the International Energy Agency.

¹⁴ Includes surface water, municipal water and ground water.

¹⁵ Water discharged into the rivers, the ocean and land after pre-treatment, as well as circulating water, are not included in the water consumption.

¹⁶ Percentage of recycled water = recycled water/total water consumption

15 Comprehensive Performance

Mitigating Impact on Natural Environment

Amount of waste recycled during the operation:

Indicator	2023	2022	2021
Fly ash (pulverized fuel ash) (ton)	113,160.46	102,852.80	98,710.53
Desulfurized gypsum (ton)	5,327.00	5,545.00	4,317.00
Paper (ton)	1.92	1.36	2.45

Environmental conservation:

Indicator	2023	2022	2021
Special funds for environmental protection invested by the projects in Mainland China (RMB)	41,873,623.17	38,476,158.17	34,077,048.40
Number of trees held as high as 5 meters or above	2,310	2,335	3,962

Compliance with environmental protection rules:

Indicator	2023	2022	2021
Number of cases involving damage to the natural environment	0	0	0

CARING FOR EMPLOYEES

Employment

Cost of employee benefits:

Indicator	2023	2022	2021 (Restated) (Note)
Salaries and allowances (US\$'000)	100,558	93,503	89,614
Retirement benefits scheme contributions, including directors' emoluments (US\$'000)	19,755	15,892	13,240

Note: The Group has initially applied the amendments to International Accounting Standard 16 at 1 January 2022. Under the amendments, the comparative information is restated.

15 Comprehensive Performance

Employee composition:

Indicator	2023	2022	2021
Total number of employees	2,089	1,936	2,033
Number of employees of ethnic minorities	76	72	71
Percentage ratio of employees of ethnic minorities	3.64%	3.72%	3.49%
By gender			
Male employees	1,831	1,706	1,764
Female employees	258	230	269
By age group			
Age under 30	539	521	531
Age between 30 and 50	1,381	1,271	1,354
Age above 50	169	144	148
By employment type			
Full-time	2,056	1,936	2,033
Part-time	33	0	0
By job-based region			
Mainland China	1,801	1,694	1,815
Hong Kong	18	18	20
Korea	270	224	198
Other countries and regions	0	0	0
Permanent employees: divided by gender and job-based region			
Male employees	847	773	N/A
Female employees	119	119	N/A
Mainland China	709	659	N/A
Hong Kong	18	18	N/A
Korea	239	215	N/A
Other countries and regions	0	0	N/A
Temporary employees: divided by gender and job-based region			
Male employees	984	933	N/A
Female employees	139	111	N/A
Mainland China	1,092	1,035	N/A
Hong Kong	0	0	N/A
Korea	31	9	N/A
Other countries and regions	0	0	N/A
Non-guaranteed hours employees: divided by gender and job-based region			
Male employees	0	0	N/A
Female employees	0	0	N/A
Mainland China	0	0	N/A
Hong Kong	0	0	N/A
Korea	0	0	N/A
Other countries and regions	0	0	N/A

15 Comprehensive Performance

Indicator	2023	2022	2021
Full-time employees: divided by gender and job-based region			
Male employees			
Male employees	1,806	1,706	N/A
Female employees	250	230	N/A
Mainland China	1,801	1,694	N/A
Hong Kong	18	18	N/A
Korea	237	224	N/A
Other countries and regions	0	0	N/A
Part-time employees: divided by gender and job-based region			
Male employees			
Male employees	25	0	N/A
Female employees	8	0	N/A
Mainland China	0	0	N/A
Hong Kong	0	0	N/A
Korea	33	0	N/A
Other countries and regions	0	0	N/A

New employee¹⁷:

Indicator	2023	2022	2021
By gender			
Male employees	11.58%	14.83%	N/A
Female employees	6.20%	10.43%	N/A
By age group			
Age under 30	22.08%	28.41%	N/A
Age between 30 and 50	7.60%	9.91%	N/A
Age above 50	2.37%	2.08%	N/A
By job-based region			
Mainland China	10.11%	13.46%	N/A
Hong Kong	0%	0%	N/A
Korea	17.04%	21.88%	N/A
Other countries and regions	0%	0%	N/A

¹⁷

The new employee rate is calculated as per the "number of new employees in this category/total number of employees in this category".

15 Comprehensive Performance

Employee turnover¹⁸:

Indicator	2023	2022	2021
By gender			
Male employees	3.73%	3.18%	3.92%
Female employees	1.20%	2.13%	2.18%
By age group			
Age under 30	5.05%	2.62%	4.15%
Age between 30 and 50	2.82%	2.75%	3.29%
Age above 50	1.23%	7.10%	5.73%
By job-based region			
Mainland China	3.09%	1.80%	3.30%
Hong Kong	3.77%	0%	4.76%
Korea	4.30%	11.81%	7.04%
Other countries and regions	0%	0%	0%

Remuneration and diversity:

Indicator	2023	2022	2021
Ratio of remuneration of female employees to male employees			
Management	1.0	1.0	1.0
General employees	1.0	1.0	1.0
Percentage of female management			
Senior management ¹⁹	0%	0%	0%
Middle-level management ²⁰	6.15%	15.74%	10.78%
Grass-roots staff	12.60%	N/A	N/A

Indicator	2023	2022	2021
Percentage of senior management by age group			
Age under 30	0%	N/A	N/A
Age between 30 and 50	37.50%	N/A	N/A
Age above 50	62.50%	N/A	N/A
Percentage of middle-level management by age group			
Age under 30	3.08%	N/A	N/A
Age between 30 and 50	70.77%	N/A	N/A
Age above 50	26.15%	N/A	N/A
Percentage of general employees by age group			
Age under 30	25.89%	N/A	N/A
Age between 30 and 50	66.17%	N/A	N/A
Age above 50	7.94%	N/A	N/A

¹⁸ The employee turnover rate is calculated according to the "number of employees leave in this category/current employees in this category+total number of employees leave".

¹⁹ Refers to the position of assistant president or above at the Group's headquarters, and members of the Board.

²⁰ Refers to the positions of director and senior manager at the head office and department director and above at each branch level of the Group.

15 Comprehensive Performance

Occupational health and safety

Employees' health and safety:

Indicator	2023	2022	2021
By all employees			
Number of work-related fatalities	0 (0%)	0 (0%)	0 (0%)
Number of serious work-related injuries (excluding fatalities)	0	0	N/A
Number of recordable injuries ²¹	0	0	0
Loss of work accident rate (per 200,000 working hours)	0	0	0
Severe injury rate (per 200,000 working hours)	0	0	0
Lost days due to work injury	0	0	0
Total working hours	4,152,216	3,859,664	4,067,424
Workers who are not employees but whose work and/or workplace are controlled by the organization			
Number of work-related fatalities	0 (0%)	0 (0%)	N/A
Number of serious work-related injuries (excluding fatalities)	0	0	N/A
Number of recordable injuries	0	0	N/A
Total working hours	649,314	154,096	N/A

Work-related health problems:

Indicator	2023	2022	2021
By all employees			
Number of fatalities due to work-related health problems	0	0	N/A
Number of recordable cases of work-related health problems	0	0	N/A
Workers who are not employees but whose job and/or workplace are controlled by the organization			
Number of fatalities due to work-related health problems	0	0	N/A
Number of recordable cases of work-related health problems	0	0	N/A

²¹

Refers to inability of employees to work normally for 3 days or more due to work-related accidents.

15 Comprehensive Performance

Workers covered by the occupational health and safety management system:

Indicator	2023	2022	2021
By employee			
Number of staff covered by occupational health and safety management body (percentage)	2,089 (100%)	1,936 (100%)	N/A
Number of staff covered by the internal audit management system (percentage)	2,089 (100%)	1,936 (100%)	N/A
Number of staff covered by external audit or certified management system (percentage)	0 (0%)	0 (0%)	N/A
Workers who are not employees but whose jobs and/or workplaces are controlled by the organization			
Number of staff covered by occupational health and safety management body (percentage)	0 (0%)	0 (0%)	N/A
Number of staff covered by the internal audit management system (percentage)	0 (0%)	0 (0%)	N/A
Number of staff covered by external audit or certified management system (percentage)	0 (0%)	0 (0%)	N/A

Development and training

Employee training:

Indicator	2023	2022	2021
Percentage of employees who received vocational development training²²			
Male employees	87.03%	87.53%	84.86%
Female employees	12.97%	12.47%	15.14%
Senior management	0.44%	0.57%	0.50%
Middle-level management	3.35%	6.84%	6.38%
General employees	96.21%	92.59%	93.12%
Average hours of vocational development training received per employee²³			
Male employees (hour)	113.75	74.24	82.82
Female employees (hour)	114.00	74.06	92.00
Senior management (hour)	64.00	105.75	115.70
Middle-level management (hour)	114.00	86.94	96.56
General employees (hour)	114.00	73.26	83.20
Number of employees subject to periodic performance and career development reviews (%)			
Male employees	1,831 (100%)	1,706 (100%)	N/A
Female employees	258 (100%)	230 (100%)	N/A
Senior management	8 (100%)	8 (100%)	N/A
Middle-level management	65 (100%)	108 (100%)	N/A
General employees	2,016 (100%)	1,820 (100%)	N/A

²² The data scope of the percentage of employees receiving vocational development training includes employees at Mainland China and Hong Kong, and is calculated based on "Total number of trained employee of the category/total number of trained employee".

²³ The data scope of the average hours of employees receiving vocational development training per employee includes employees at Mainland China and Hong Kong, and is calculated based on "Total number of training hours of the category/total number of employee of the category". Due to the update of the calculation method of average hours of training, the data of 2021 have been recalculated.

15 Comprehensive Performance

CONTRIBUTION TO SOCIETY

Community investment

Public charity:

Indicator	2023 (RMB)	2022 (RMB)	2021 (RMB)
Money contributed to community/ charity issues ²⁴	12,325,000	2,740,400	3,461,418

²⁴

Includes monetary value of input fund and resources for poverty relief and public charity.

16 Prospects in 2024

2024 will be a critical year for China's 14th Five-Year Plan. The "14th Five-Year Plan for Renewable Energy Development" pointed out that it is necessary to achieve high-quality development, consolidate the foundation of energy transformation and continuous technological progress. China's power market has ushered in a period of opportunities for offshore wind power development, and the green electricity and green certificate trading market continues to expand, and continues to standardize regional and inter-provincial transmission and distribution prices. At the same time, the Korean power market is also undergoing a transformation of the energy structure, and it is expected that renewable energy and natural gas power stations will increase in the future. Whether in China or South Korea, the Group will continue to pursue the national "dual carbon" strategy, deepen the clean energy market, adhere to high-quality large-scale development and high-level construction, and continue to move forward to first-class new energy enterprises, and provide safe, environmentally friendly and economic clean energy for the society.

Currently, the Group's wind power business has formed a comprehensive development pattern, with wind power generation and professional services in full development. Our standardized, serialized, and scaled wind power construction and operation and maintenance levels are in a leading position in the industry. Our investment, construction, and operation and maintenance of solar power plants and other new energy, as well as solar energy-related technology research and development, also have strong project operation and maintenance capabilities and leading technology research and development capabilities.

Facing the future macroeconomic environment and the development trend of the power industry, the Group will continue to uphold the mission of "Developing Clean Energy and Building a Beautiful China", and adhere to the concept of sustainable development in all environmental and social aspects. While constantly seeking to acquire other high-quality clean and renewable energy power generation projects, we will continue to enhance the core competence of operation and maintenance in wind power and solar power businesses, and strive to improve the Group's competitiveness and market position in the non-nuclear clean energy industry.

17 Independent Assurance Report

To the Board of Directors of CGN New Energy Holdings Co., Ltd.:

CECEPAC (HK) Advisory Company Limited ("CECEPAC (HK)" or "We") has been engaged by CGN New Energy Holdings Co., Ltd. ("CGN New Energy") to conduct an independent limited assurance engagement (the "Assurance Engagement") on the information and data related to sustainable development in the 2023 Environmental, Social and Governance Report (the "ESG Report") of CGN New Energy.

CECEPAC (HK) has conducted the Assurance Engagement on the ESG Report of CGN New Energy in accordance with the AA1000 Assurance Standard v3 (the "AA1000AS v3"). Moreover, CECEPAC (HK) has also been engaged to conduct limited Assurance Engagement on the reliability and quality of specified performance information disclosed in the ESG Report that have been selected in accordance with the Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") published by the Stock Exchange of Hong Kong Limited (the "SEHK").

This independent assurance statement has been prepared in Chinese and English versions. Should there be any discrepancies between these versions, the Chinese version shall prevail.

I. INDEPENDENCE AND COMPETENCE

CECEPAC (HK) was not involved in collecting and calculating data disclosed in the ESG Report, or in the development of the ESG Report. CECEPAC (HK)'s activities of Assurance Engagement are independent from CGN New Energy. There is no relationship between CECEPAC (HK) and CGN New Energy beyond the contractual agreement for providing proper assurance service.

The assurance team of CECEPAC (HK) is composed of experienced professionals in the industry who have received professional training on the standards related to sustainable development, including GRI Sustainability Reporting Standards issued by Global Reporting Initiative, AA1000AS v3, ESG Reporting Guide issued by SEHK, ISO 14064, ISO 9001, etc.

The assurance team of CECEPAC (HK) has extensive experience in conducting the Assurance Engagement and has sufficient understanding and capabilities of implementation of AA1000AS v3. Moreover, the Assurance Engagement related to sustainable development issues is carried out in line with CECEPAC (HK)'s internal assurance protocol.

II. CGN NEW ENERGY'S RESPONSIBILITIES

CGN New Energy is responsible for the preparation and presentation of the ESG Report in accordance with the ESG Reporting Guide published by SEHK. CGN New Energy is also responsible for implementing relevant internal control procedures to ensure that the contents of the ESG Report are free from material misstatement, whether due to fraud or error.

III. ASSURANCE PROVIDER'S RESPONSIBILITIES

CECEPAC (HK) is responsible for issuing an independent assurance statement in accordance with AA1000AS v3 and the ESG Reporting Guide published by SEHK to the Board of Directors of CGN New Energy. This independent assurance statement applies solely to the ESG Report of CGN New Energy in the specified scope, expresses a conclusion on the assurance work, and does not serve any other intents or purposes.

CECEPAC (HK) ensures that all personnel involved in the Assurance Engagement meet professional qualification, training, and experience requirements, and are demonstrably competent in conducting Assurance Engagements. All results of assurance are internally reviewed by senior staff to ensure that methodologies used in the process are sufficiently stringent and transparent.

17 Independent Assurance Report

IV. ASSURANCE SCOPE

- The scope of the Assurance Engagement is limited to information and data in the ESG Report that relates to CGN New Energy and its subsidiaries only and does not include CGN New Energy's suppliers, contractors, and information or data provided by other third parties;
- AA1000AS v3 Type 2 Moderate Level of Assurance was adopted to evaluate the nature and extent of CGN New Energy's adherence to the four principles (Inclusivity, Materiality, Responsiveness and Impact) in accordance with AA1000AS v3;
- Specified performance information disclosed in the ESG Report was selected and agreed upon between CGN New Energy and CECEPAC (HK) for assurance. The selected specified performance information is as follows:
 - Water consumption – surface water
 - Amount of waste recycled during the operation – paper
 - Employee composition – by gender – male employees
- CECEPAC (HK)'s assurance work was with respect to information disclosed from 1 January 2023 to 31 December 2023. Any information disclosed in the ESG Report that falls outside this period is not included within the scope of the Assurance Engagement. Therefore, we do not express any conclusions on this information; and
- The scope of the Assurance Engagement is confined to the information provided by CGN New Energy only. Any queries regarding the content or related matters within this independent assurance statement should be addressed to CGN New Energy only.

V. METHODOLOGY

CECEPAC (HK) conducted Assurance Engagement only within the scope of Hainan Wenchang Liyang Photovoltaic Power Station (海南文昌立洋光伏电站) and Qigan Photovoltaic Power Station (其甘光伏电站) of CGN New Energy, and the assurance work included:

- Evaluating the appropriateness of CGN New Energy's stakeholder engagement process;
- Conducting online interviews with personnel involved with sustainability management, the preparation of the ESG Report and the provision of relevant information and data²⁵;
- Assessing whether the reporting and management approach for the ESG Report responded to the principles of Inclusivity, Materiality, Responsiveness and Impact as defined in the AA1000AS v3;
- Conducting sampling of evidence pertaining to data reliability and quality for selected specified performance information;
- Recalculating and verifying selected specified performance information;
- Assessing the degree of conformity of the ESG Report with the ESG Reporting Guide; and
- Performing other procedures we deemed necessary.

Assurance Engagement was performed and the conclusions within were based upon information and data provided by CGN New Energy to CECEPAC (HK), and on assumptions that the information provided was complete and accurate.

²⁵

Interviews were conducted in the form of teleconferences.

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VI. LIMITATIONS

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

VII. CONCLUSIONS

In accordance with the principles of Inclusivity, Materiality, Responsiveness and Impact in the AA1000AS v3, and the conformity of the ESG Report with the ESG Reporting Guide, our findings and conclusions are as follows:

Inclusivity

CGN New Energy has identified key stakeholders, and continuously understood the expectations and concerns of key stakeholders in various ways of communication. In our professional opinion, CGN New Energy adheres to the Principle of Inclusivity.

Materiality

CGN New Energy has conducted materiality assessment for its ESG Report and collected opinions of some key stakeholders. Appropriate methods were used to identify material topics, and the materiality assessment process was disclosed in the ESG Report with the materiality of the topics presented in a matrix. In our professional opinion, CGN New Energy adheres to the Principle of Materiality.

Responsiveness

CGN New Energy has established routine communication channels for its key stakeholders to understand their expectations and concerns, and has relevant mechanisms in place to respond to concerns raised by key stakeholders. Moreover, CGN New Energy has identified material topics and responded to stakeholders' requests for information. In our professional opinion, CGN New Energy adheres to the Principle of Responsiveness.

Impact

CGN New Energy has included "**influence on part of the key stakeholders' assessments and decisions**" and "**significance of the Group's economic, environmental, and social Impacts (including human rights)**" as two dimensions into its materiality assessment, so that the content of the ESG Report can reflect its impacts on economy, environment, and society to the maximum extent. In our professional opinion, CGN New Energy adheres to the Principle of Impact.

Specified Performance Information

Based on the assurance procedures that CECEPAC (HK) has performed and the evidence we have obtained, no specific issue has come to our attention that causes us to believe that the disclosures of selected specified performance information of the ESG report is unreliable or unqualified.

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SEHK's ESG Reporting Guide

The general disclosure and key performance indicators of the environmental and social aspects in the ESG Report, in all material respects, have been disclosed in accordance with the “**Comply or Explain**” Provisions of the ESG Reporting Guide issued by SEHK. The governance structure, reporting principles and reporting boundary have also been disclosed in accordance with the mandatory disclosure requirements in alignment with the ESG Reporting Guide. CGN New Energy has disclosed the process and the result of the materiality assessment; has described objectively the impact of its business; and has calculated and disclosed relevant environmental and social data. Our assurance findings and comments on the ESG Report have been either adopted or explained by CGN New Energy prior to the issuance of this independent assurance statement.



15th April 2024
Hong Kong SAR, China

Appendix I Laws and Regulations the Group has Complied with during the Reporting Period

The laws and regulations ²⁶ corresponding to the contents of ESG Reporting Guide	Compliance by the Group
A. Environment	
Aspect A1: Emissions	
Mainland China	<p>Environmental Protection Law of the People's Republic of China Atmospheric Pollution Prevention and Control Law of the People's Republic of China Environmental Protection Tax Law of the People's Republic of China Regulation on the Implementation of the Environmental Protection Tax Law of the People's Republic of China Law of the People's Republic of China on Prevention and Control of Water Pollution Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes</p>
Hong Kong	<p>Water Pollution Control Ordinance Waste Disposal Ordinance</p>
Korea	<p>Clean Air Conservation Act Noise and Vibration Control Act Water Quality and Aquatic Ecosystem Conservation Act Wastes Control Act Act on the Promotion of Saving and Recycling of Resources Environmental Impact Assessment Act</p>

²⁶

The operation of the Group is in compliance with laws and regulations, including but not limited to those listed in Appendix I.

Appendix I Laws and Regulations the Group has Complied with during the Reporting Period

The laws and regulations ²⁸ corresponding to the contents of ESG Reporting Guide	Compliance by the Group
B. Social	
Aspect B1: Employment	
Mainland China	<p>Labor Law of the People's Republic of China²⁷ Labor Contract Law of the People's Republic of China Regulation on the Implementation of the Employment Contract Law of the People's Republic of China Social Insurance Law of the People's Republic of China Regulation on Paid Annual Leave for Employees Law of the People's Republic of China on the Protection of Women's Rights and Interests²⁸ Law of the People's Republic of China on the Protection of Minors²⁹ Labor Dispute Mediation and Arbitration Law of the People's Republic of China Regulation on the Administration of Foreign Labor Cooperation Law of the People's Republic of China on the Protection of Disabled Persons Regulation on the Employment of the Disabled</p>
Hong Kong	<p>Employment Ordinance³⁰ Employees' Compensation Ordinance Minimum Wage Ordinance</p>
Korea	<p>Labor Standard Act Fair Hiring Procedure Act Employment Insurance Act Employment Security Act Framework Act on Employment Policy</p>

²⁷ To avoid repetitive statement, the laws and regulations also apply to "Aspect B2" and "Aspect B4" in this appendix.

²⁸ To avoid repetitive statement, the laws and regulations also apply to "Aspect B4" in this appendix.

²⁹ To avoid repetitive statement, the laws and regulations also apply to "Aspect B4" in this appendix.

³⁰ To avoid repetitive statement, the laws and regulations also apply to "Aspect B4" in this appendix.

Appendix I Laws and Regulations the Group has Complied with during the Reporting Period

The laws and regulations ²⁶ corresponding to the contents of ESG Reporting Guide	Compliance by the Group
Aspect B2: Health and Safety	
Mainland China	<p>Workplace Safety Law of the People's Republic of China</p> <p>Provisions on the Supervision and Administration of Occupational Health at Workplace</p> <p>Fire Protection Law of the People's Republic of China</p> <p>Law of the People's Republic of China on the Prevention and Control of Occupational Diseases</p> <p>Regulation on Work-Related Injury</p> <p>Insurances Labor Insurance Regulations of the People's Republic of China</p>
Hong Kong	Occupational Safety and Health Ordinance
Korea	<p>Occupational Safety and Health Act</p> <p>Act on Fire Prevention and Installation, Maintenance, and Safety Control of Fire-Fighting Systems</p> <p>Industrial Accident Compensation Insurance Act</p>
Aspect B4: Labor Standards	
Mainland China	Provisions on the Prohibition of Using Child Labor
Korea	Child Welfare Act
Aspect B6: Product Responsibility	
Mainland China	<p>Trademark Law of the People's Republic of China</p> <p>Standardization Law of the People's Republic of China</p> <p>Regulations for the Implementation of the Standardization Law of the People's Republic of China</p> <p>Tort Law of the People's Republic of China</p> <p>Patent Law of the People's Republic of China</p>
Korea	Electric Utility Act
Aspect B7: Anti-corruption	
Mainland China	<p>Criminal Law of the People's Republic of China</p> <p>Anti-Unfair Competition Law of the People's Republic of China</p> <p>Law of the People's Republic of China on Bid Invitation and Bidding</p> <p>Anti-Money Laundering Law of the People's Republic of China</p>
Hong Kong	Prevention of Bribery Ordinance
Korea	Unfair Competition Prevention and Trade Secret Protection Act
During the Reporting Period, the Group did not violate any laws and regulations related to providing a safe working environment and protecting employees from occupational hazards listed in "Appendix I" of the Report.	
During the Reporting Period, the Group did not violate any laws and regulations related to preventing child labor and forced labor listed in "Appendix I" of the Report.	
During the Reporting Period, the Group did not violate any laws and regulations related to privacy matters relating to products and services and methods of redress listed in "Appendix I" of the Report. Due to the business nature of the Group, issues relating to health and safety, advertising and labelling concerning the supplied electricity are not applicable to the Group	
During the Reporting Period, the Group did not violate any laws and regulations related to bribery, extortion, fraud and money laundering listed in "Appendix I" of the Report.	

Appendix II Content Index of the ESG Reporting Guide of the Stock Exchange

Mandatory disclosure requirements set out by the <i>ESG Reporting Guide of the Stock Exchange</i>	Location of Disclosure or Remarks	
Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritize and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	Corporate Governance – Governance Structure; Corporate Governance – Risk Management
Reporting Principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report.	About the Report – Reporting Standard
Reporting Boundary	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.	About the Report – Reporting Period and Boundary

Appendix II Content Index of the ESG Reporting Guide of the Stock Exchange

Subject Areas, Aspects, General Disclosures and Key Performance Indicators (KPIs)	Location of Disclosure or Remarks
A. Environment Aspect	
Aspect 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
KPI A1.1	The types of emissions and respective emissions data.
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).
KPI A1.3	Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).
KPI A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).
KPI A1.5	Description of measures to mitigate emissions and results achieved.
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.
	Green Operation – Green Management System, Monitoring and Management Mechanism for Emission and Discharge
	Comprehensive Performance
	Green Operation – Monitoring and Management Mechanism for Emission and Discharge;
	Comprehensive Performance
	Green Operation – Monitoring and Management Mechanism for Emission and Discharge;
	Comprehensive Performance
	Green Operation – Monitoring and Management Mechanism for Emission and Discharge;
	Comprehensive Performance
	Green operation – Green Management System, Monitoring and Management Mechanism for Emission and Discharge
	Green operation – Green Management System, Monitoring and Management Mechanism for Emission and Discharge

Appendix II Content Index of the ESG Reporting Guide of the Stock Exchange

Subject Areas, Aspects, General Disclosures and Key Performance Indicators (KPIs)	Location of Disclosure or Remarks
Aspect A2: Use of Resources	
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.
KPI 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).
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and results achieved.
KPI A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.
Aspect A3: The Environmental and Natural Resources	
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.
Aspect A4: Climate Change	
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.

Appendix II Content Index of the ESG Reporting Guide of the Stock Exchange

Subject Areas, Aspects, General Disclosures and Key Performance Indicators (KPIs)	Location of Disclosure or Remarks
B. Social	
Employment and Labor Practices	
Aspect B1: Employment	
General Disclosure	Information on:
	(a) the policies; and
	(b) compliance with relevant laws and regulations
	that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.
	Caring for Employees – Employee Management
	Comprehensive Performance
KPI B1.2	Employee turnover rate by gender, age group and geographical region.
	Comprehensive Performance
Aspect 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.
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.
	Comprehensive Performance
KPI B2.2	Lost days due to work injury
	Comprehensive Performance
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.
	Caring for Employees – Occupational Health and Safety

Appendix II Content Index of the ESG Reporting Guide of the Stock Exchange

Subject Areas, Aspects, General Disclosures and Key Performance Indicators (KPIs)	Location of Disclosure or Remarks
Aspect B3: Development and Training	
General Disclosure	<p>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</p> <p>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</p>
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).
KPI B3.2	The average training hours completed per employee by gender and employee category.
Aspect B4: Labor Standards	
General Disclosure	<p>Information on:</p> <ul style="list-style-type: none"> (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 labor.
KPI B4.1	Description of measures to review employment practices to avoid child and forced labor.
KPI B4.2	Description of steps taken to eliminate such practices when discovered.
Operating Practices	
Aspect B5: Supply Chain Management	
General Disclosure	Policies on managing environmental and social risks of the supply chain.
KPI B5.1	Number of suppliers by geographical region.
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.

Appendix II Content Index of the ESG Reporting Guide of the Stock Exchange

Subject Areas, Aspects, General Disclosures and Key Performance Indicators (KPIs)	Location of Disclosure or Remarks
Aspect 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.
Business Operation; Appendix I – The Group has complied with laws and regulations that have a significant impact on the Group during the Reporting Period;	
KPI B6.1	Due to the nature of the Group's business, the health and safety, advertising and labeling of electricity provided are not applicable to the Group.
Percentage of total products sold or shipped subject to recalls for safety and health reasons.	This indicator is not applicable to the Group due to the Group's business nature.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.
	The principal business of the Group is mainly power generation and does not involve direct contact with end-users of the electricity, thus this indicator is not applicable to the Group.
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.
Business Operation – Intellectual Property Rights and Privacy	
KPI B6.4	Description of quality assurance process and recall procedures.
Business Operation – Operational Quality Assurance;	
	These recall procedures are not applicable to the Group due to the Group's business nature.
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.
Business Operation – Intellectual Property Rights and Privacy	

Appendix II Content Index of the ESG Reporting Guide of the Stock Exchange

Subject Areas, Aspects, General Disclosures and Key Performance Indicators (KPIs)	Location of Disclosure or Remarks
Aspect 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.	Corporate Governance – Anti-corruption
KPI 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.	Comprehensive Performance
KPI B7.2 Description of preventive measures and whistleblowing procedures, how they are implemented and monitored.	Corporate Governance – Anti-corruption
KPI B7.3 Description of preventive measures and whistleblowing procedures, how they are implemented and monitored.	Corporate Governance – Anti-corruption
Community	
Aspect 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.	Giving Back to the Society
KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Giving Back to the Society
KPI B8.2 Resources contributed (e.g. money or time) to the focus area.	Giving Back to the Society; Comprehensive Performance

Appendix III GRI Content Index

Sustainability reporting standards	General Disclosure	Reference/explanation/ reasons for omission	Page
GRI 2: General Disclosures 2021	Organization and its reporting practices		
	2-1 Organizational details	About CGN New Energy; 2023 Annual Report – Corporate Information	10
	2-2 Entities included in the organization's sustainability reporting	About the Report	3
	2-3 Reporting Period, frequency and contact point	About the Report; The ESG report of the Group is issued every year, the Reporting Period is consistent with the financial report, and the Report is issued in April, 2024	3
	2-4 Restatements of information	Comprehensive Performance	77-87
	2-5 External assurance	Independent Assurance Report	89-92
Activities and workers			
	2-6 Activities, value chain and other business relationships	About CGN New Energy; Supply Chain Management; There is no major change in the location of the supplier, the supply chain structure or the relationship with the supplier	10; 68-69
	2-7 Employees	Comprehensive Performance – Caring for Employees	81-86
	2-8 Workers who are not employees	This information is lacking because the number of workers other than employees has not been recorded; The most common type of worker is the third-party contractor who works in the place designated by the Group. The type of work is the most basic engineering construction or system operation and maintenance	-

Appendix III GRI Content Index

Sustainability reporting standards	General Disclosure	Reference/explanation/ reasons for omission	Page
Governance			
2-9	Governance structure and composition	Corporate Governance – Governance Structure; 2023 Annual Report – Corporate Governance Report	27-28
2-10	Nomination and selection of the highest governance body	2023 Annual Report – Corporate Governance Report	-
2-11	Chair of the highest governance body	2023 Annual Report – Corporate Governance Report	-
2-12	Role of the highest governance body in overseeing the management of impacts	2023 Annual Report – Corporate Governance Report – Risk Management and Internal Control	-
2-13	Delegation of responsibility for managing impacts	The Board of the Company is directly responsible for the ESG report, the Safety, Quality and Environmental Department is responsible for the environmental impact, the Human Resource Department is responsible for the human impact, and the Planning and Operation Department is responsible for the economic impact. Each department has a leader which leads under senior management; The Company has quarterly business analysis meetings and annual work meetings	-
2-14	Role of the highest governance body in sustainability reporting	The Board of the Company is responsible for reviewing and approving the information reported through the <i>Temporary Information Disclosure Management Measures, Inside Information Policy System, Policy for Notifiable Transactions and Connected Transactions Management Procedures and Systems</i>	-

Appendix III GRI Content Index

Sustainability reporting standards	General Disclosure	Reference/explanation/ reasons for omission	Page
2-15	Conflicts of interest	The Board of the Company signs a confirmation letter every six months to disclose whether there is any interest in the competitive business; 2023 Annual Report – Corporate Information/ Management Discussion and Analysis/Report of the Directors	-
2-16	Communication of critical concerns	The Group communicates important concerns to the directors through the <i>Reporting Policy System</i> . They turn material problems into issues for discussion by the Board. During the Reporting Period, No major concerns were communicated to the Board	-
2-17	Collective knowledge of the highest governance body	Corporate Governance – Governance Structure; The Board has engaged a third party for ESG training	27-28
2-18	Evaluation of the performance of the highest governance body	2023 Annual Report – Corporate Governance Report	-
2-19	Remuneration policies	The remuneration structure of the members of the Board and senior executives of the Company includes a basic annual salary, annual performance-based bonus, the incentive for service terms, etc. The annual performance-based bonus and incentive for service term shall be paid according to the performance assessment results; Unified performance and salary mechanism is implemented for those impacts of salary policy and management on the economy, environment and people	-

Appendix III GRI Content Index

Sustainability reporting standards	General Disclosure	Reference/explanation/ reasons for omission	Page
2-20	Process to determine remuneration	The Remuneration Committee of the Board of the Company supervises the remuneration policy and determines that the shareholders perform the decision-making function on the remuneration policy through the Board. After the approval of the Board, the management personnel signs the agreement through the tenure contract. Employees are subject to overall performance management and are paid according to the assessment results	-
2-21	Annual total compensation ratio	2023 Annual Report – Notes to the Consolidated Financial Statements – Individuals with the highest emoluments	-
Strategy, Policy and Practice			
2-22	Statement on sustainable development strategy	Chairman's Statement	4
2-23	Policy commitments	Not applicable, the Group has no policy commitment to responsible business conduct	-
2-24	Embedding policy commitments	Not applicable. The Group has no policy commitment to responsible business conduct	-
2-25	Process to remediate negative impacts	Corporate Governance – Risk Management	31-35

Appendix III GRI Content Index

Sustainability reporting standards	General Disclosure	Reference/explanation/ reasons for omission	Page
	2-26 Mechanisms for seeking advice and raising concerns	Corporate Governance – Anti-Corruption	29-31
	2-27 Compliance with laws and regulations	During the Reporting Period, the Group was not imposed with large fines or non-monetary sanctions for violating relevant laws or regulations	-
	2-28 Membership associations	CGN New Energy's Jiangsu Branch is a member of the Jiangsu Renewable Energy Industry Association; CGN New Energy's Anhui Branch is a member of the Anhui Power Industry Association; CGN New Energy is a member of the China Enterprises Association in Hong Kong, the Hong Kong Listed Companies Association, and the Hong Kong General Chamber of Commerce	-
Stakeholder engagement			
	2-29 Approach to stakeholder engagement	Stakeholder Engagement and Materiality Assessment	22-26
	2-30 Collective bargaining agreements	100% of employees are covered by the collective bargaining agreement of the Group	-
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Stakeholder Engagement and Materiality Assessment	22-26
	3-2 List of material topics	Stakeholder Engagement and Materiality Assessment	22-26

Appendix III GRI Content Index

Sustainability reporting standards	General Disclosure	Reference/explanation/ reasons for omission	Page
Scientific research and innovation			
GRI 3: Material Topics	3-3	Management of material topics	Feature Article 15-21
Response to national strategy			
GRI 3: Material Topics 2021	3-3	Management of material topics	Giving Back to the Society – Rural Revitalization, Supporting Educational Development 71-74
Socio-economic compliance			
GRI 3: Material Topics	3-3	Management of material topics	Corporate Governance – Governance Structure 27-28
Financial performance and investors' interest			
GRI 3: Material Topics	3-3	Management of material topics	Corporate Governance – Risk Management – Financial Supervision 35
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	2023 Annual Report – Notes to the Consolidated Financial Statements – Note 4 Revenue and Segment Information
	201-2	Financial implications and other risks and opportunities due to climate change	Green Operation – Addressing Climate Change 51-54
	201-3	Defined benefit plan obligations and other retirement plans	The Group has implemented the enterprise annuity plan – <i>Group Enterprise Annuity Management Measures</i>
	201-4	Financial assistance received from government	2023 Annual Report – Notes to the Consolidated Financial Statements – Note 33 Government Grants

Appendix III GRI Content Index

Sustainability reporting standards	General Disclosure	Reference/explanation/ reasons for omission	Page
Anti-corruption			
GRI 3: Material Topics	3-3	Management of substantive issues	Corporate Governance – Anti-corruption 29-31
GRI 205: Anti-corruption 2016	205-1	Conducted a point of operation for which a corruption risk assessment	The Group has not conducted corruption risk assessment and there are no significant corruption risks identified by the risk assessment –
	205-2	Communication and training of anti-corruption policies and procedures	Corporate Governance – Anti-corruption 29-31
	205-3	Confirmed incidents of corruption and actions taken	Due to confidentiality restrictions, the Company's violation and discipline data are only provided to the Party committee at the same level and the disciplinary commission at the higher level –
Energy Use and Efficiency			
GRI 3: Material Topics 2021	3-3	Management of material topics	Green Operation – Green Management System 39-43
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Comprehensive Performance 80
	302-2	Energy consumption outside of the organization	Comprehensive Performance 80
	302-3	Energy intensity	Comprehensive Performance 80
	302-4	Reduction of energy consumption	Comprehensive Performance 80
	302-5	Reductions in energy requirements of products and services	The Group's business is mainly renewable energy power generation, this item is not applicable –

Appendix III GRI Content Index

Sustainability reporting standards	General Disclosure	Reference/explanation/ reasons for omission	Page
Water Resource Usage and Efficiency			
GRI 3: Material Topics 2021	3-3 Management of substantive issues	Green Operation – Monitoring and Management Mechanism for Emission And Discharge – Wastewater Produced; Green Operations – Use of Natural resources – Water Resource Management	46; 49
Protection of the ecological environment and natural resources related to the project			
GRI 3: Material Topics 2021	3-3 Management of material topics	Green Operation – Green Management System; Green Operation – Use of Natural Resources – Protection of Ecological Environment and Natural Resources	39-43; 50-51

Appendix III GRI Content Index

Sustainability reporting standards	General Disclosure	Reference/explanation/ reasons for omission	Page
Project's environmental impact assessment and relevant mitigation measures			
GRI 3: Material Topics 2021	3-3	Management of material topics	50-51 Green Operation – Green Management System; Green Operation – Use of Natural Resources – Protection of Ecological Environment and Natural Resources
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	50-51 Green Operation – Use of Natural Resources – Protection of Ecological Environment and Natural Resources
	304-2	Significant impacts of activities, products and services on biodiversity	50-51 Green Operation – Use of Natural Resources – Protection of Ecological Environment and Natural Resources
	304-3	Habitats protected or restored	50-51 The Group has implemented ecological and environmental protection under the concept of "Lucid Waters and Lush Mountains are Invaluable Assets". In addition to following the national direction, the Group also offered internal guidance to monitor the environment and manage projects in the early, middle and later stages, as well as during the trial and use. The Group also cooperates with researchers to balance development and the environment; Green Operation – Use of Natural Resources – Protection of Ecological Environment and Natural Resources
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	– This item is not applicable because it has no significant relationship with material issues

Appendix III GRI Content Index

Sustainability reporting standards	General Disclosure	Reference/explanation/ reasons for omission	Page
Employee benefits and promotion mechanism			
GRI 3: Material Topics	3-3	Management of material topics	Caring for Employees – Employment Management 55-56
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Comprehensive Performance 83-84
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Full-time employees in China have endowment insurance, medical insurance (including maternity insurance), unemployment insurance, industrial injury insurance, etc. in the scope of social insurance, as well as supplementary medical insurance of the Group –
	401-3	Parental leave	In the Group, only a few employees apply for parental leave, so this data has no significant impact temporarily –

Appendix III GRI Content Index

Sustainability reporting standards	General Disclosure	Reference/explanation/ reasons for omission	Page
Employee Occupational Health and Safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	Caring for Employees – Occupational Health and Safety	57-62
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Caring for Employees – Occupational Health and Safety – Operational Risk Management; The occupational safety management system covers all workers, activities and workplaces	57-59
	403-2 Hazard identification, risk assessment, and incident investigation	Caring for Employees – Occupational Health and Safety – Operational Risk Management	57-59
	403-3 Occupational health services	Caring for Employees – Occupational Health and Safety – Physical and Mental Health of Employees	61-62
	403-4 Worker participation, consultation, and communication on occupational health and safety	Caring for Employees – Occupational Health and Safety – Operational Risk Management	57-59
	403-5 Worker training on occupational health and safety	Caring for Employees – Occupational Health and Safety – Health and Safety Training	59-60
	403-6 Promotion of worker health	Caring for Employees – Occupational Health and Safety – Physical and Mental Health of Employees	61-62
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Caring for Employees – Occupational Health and Safety – Operational Risk Management	57-59
	403-8 Workers covered by an occupational health and safety management system	Comprehensive Performance	86
	403-9 Work-related injuries	Comprehensive Performance	85
	403-10 Work-related ill health	Comprehensive Performance	85

Appendix III GRI Content Index

Sustainability reporting standards	General Disclosure		Reference/explanation/ reasons for omission	Page
Employee Training and Education				
GRI 3: Material Topics 2021	3-3	Management of material topics	Caring for Employees – Talent Nurturing	63-67
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Comprehensive Performance	86
	404-2	Programs for upgrading employee skills and transition assistance programs	Caring for Employees – Employment Management	55-56, 63-67
	404-3	Percentage of employees receiving regular performance and career development reviews	Comprehensive Performance	86
Employee Diversity and Equal Opportunity				
GRI 3: Material Topics 2021	3-3	Management of material topics	Caring for Employees – Employment Management	55-56
GRI 405: Customer Health and Safety 2016	405-1	Diversity of governance bodies and employees	Comprehensive Performance	84
	405-2	Ratio of basic salary and remuneration of women to men	Comprehensive Performance	84

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Disclosure content	Disclose location or remarks		
Basic corporate and reporting information	About the report; About CGN New Energy		
Environmental category index			
E.1 Resource consumption	E.1.1 Water resource	E.1.1.1 Fresh water usage E.1.1.2 Circulating water consumption E.1.1.3 Proportion of circulating water consumption E.1.1.4 Intensity of water resources consumption	Comprehensive performance Comprehensive performance Comprehensive performance Comprehensive performance
	E.1.2 Materials	E.1.2.1 Consumption of non-renewable materials E.1.2.2 Consumption of toxic and harmful materials E.1.2.3 Material consumption intensity inapplicability	The company has not yet counted the consumption of non-renewable materials Comprehensive performance Comprehensive performance
	E.1.3 Energy	E.1.3.1 Fossil energy consumption E.1.3.2 Non-fossil energy consumption E.1.3.3 Proportion of non-fossil energy use E.1.3.4 Total energy consumption E.1.3.5 Energy consumption intensity	Comprehensive performance The Company has not yet separately calculated the non-fossil energy consumption of the listed platform projects Non applicable Comprehensive performance Comprehensive performance
	E.1.4 Packaging materials	E.1.4.1 Usage of packaging materials E.1.4.2 Lightweight reduction of packaging materials	Due to the nature of the Group's business, this does not apply to the Group This does not apply to the Group due to the nature of the Group's business

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Primary index	Secondary index	Three-level index	Disclose location or remarks
E.2 Pollution control	E.2.1 Wastewater	E.2.1.1 Status of wastewater discharge up to standard E.2.1.2 Wastewater management and emission reduction measures E.2.1.3 Effluent discharge E.2.1.4 Discharge of pollutants in wastewater E.2.1.5 Pollutant discharge concentration in wastewater	Green Operation – Monitoring and Management Mechanism for Emission and Discharge Green Operation – Monitoring and Management Mechanism for Emission and Discharge – Wastewater Production Comprehensive performance The Company's discharge of wastewater pollutants complies with national regulatory requirements or industry standards The concentration of wastewater pollutants discharged by the Company complies with national regulatory requirements or industry standards
	E.2.2 Exhaust gases	E.2.2.1 Status of exhaust gas emission compliance E.2.2.2 Emission of exhaust gas pollutants E.2.2.3 Emission concentration of exhaust gas pollutants	Green Operation – Monitoring and Management Mechanism for Emission and Discharge Comprehensive Performance Green Operation – Monitoring and Management Mechanism for Emission and Discharge
	E.2.3 Solid waste	E.2.3.1 Legal and compliance status of solid waste disposal E.2.3.2 General industrial solid waste Management E.2.3.3 Disposal amount of general industrial solid waste E.2.3.4 Hazardous waste management E.2.3.5 Amount of hazardous waste to be disposed of	Green Operations – Monitoring and Management Mechanism for Emission and Discharge Green Operation – Monitoring and Management Mechanism for Emission And Discharge – Hazardous and Non-hazardous Waste Comprehensive Performance Green Operation – Monitoring And Management Mechanism For Emission And Discharge – Hazardous and Non-hazardous Waste Comprehensive Performance

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Primary index	Secondary index	Three-level index	Disclose location or remarks
E.3 Climate change	E.3.1 Greenhouse gas emissions	E.3.1.1 Sources and types of greenhouse gases	Green Operation – Monitoring And Management Mechanism For Emission And Discharge – Atmospheric Emissions; Comprehensive Performance
		E.3.1.2 Management of greenhouse gas emissions	Green Operation – Monitoring And Management Mechanism For Emission And Discharge – Atmospheric Emissions
		E.3.1.3 Scope 1 emission	Comprehensive Performance
		E.3.1.4 Scope 2 emission	Comprehensive Performance
		E.3.1.5 Scope 3 emission	The Group will take into account the disclosure of GHG emissions in Scope 3 (Other indirect emissions)
		E.3.1.6 Greenhouse gas emission intensity in future Reporting Periods	Comprehensive Performance
E.3.2 Emission reduction management	E.3.2.1 Greenhouse gas emission reduction management		Green Operation – Monitoring And Management Mechanism For Emission And Discharge – Atmospheric Emissions;
		E.3.2.2 Greenhouse gas emission reduction	Green Operation – Green Management System, Addressing Climate Change
			Comprehensive Performance
E.3.3 Environmental rights transactions	E.3.3.1 Participation in the carbon emission trading market		Green Operation – Green Management System
	E.3.3.2 Participation in the energy, water and emission trading markets		The Company does not participate in the trading of energy use rights, water rights and emission rights
	E.3.3.3 Participation in green electricity trading		Green Operation – Addressing climate Change-Strategy and Risk Management
E.3.4 Climate risk management	E.3.4.1 Climate risk management		Green Operation – Addressing climate Change – Strategy and Risk Management

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Primary index	Secondary index	Three-level index	Disclose location or remarks
E.4 Biodiversity	E.4.1 Impacts of production, services and products on biodiversity	E.4.1.1 Impacts of production, services and products on biodiversity	Green Operation – Use of Natural Resources – Protection of Ecological Environment and Natural Resources
E.5 Resource and environmental management system measures	E.5.1 Formulation of low-carbon development goals and strategic measures	E.5.1.1 Formulation of low-carbon development goals and strategic measures	Green Operation – Use of Natural Resources – Energy Utilization; Green Operation – Addressing Climate Change – Indicators and Objectives; Caring for Employees – Talent Nurturing
	E.5.2 Resource management measures	E.5.2.1 Management of water resources use	Green Operation – Green Management System; Green Operation – Use of Natural Resources – Water Resource Management
		E.5.2.2 Material use management	At present, the main materials of the Company are equipment spare parts and hazardous waste; Green Operation – Monitoring and Management Mechanism for Emission And Discharge – Hazardous and Non-hazardous Waste
		E.5.2.3 Energy use and energy conservation management	Green Operation – Green Management system; Green Operation – Use of Natural Resources – Energy Utilization
E.5.3 Statistical monitoring and assessment reward and punishment system for energy conservation and carbon reduction	E.5.3.1 Monitoring, statistical reporting and assessment system for energy conservation and carbon reduction	The Group releases environmental management plans every year. The new energy industry is a green industry, and there is no specific carbon reduction assessment	
E.5.4 Green environmental actions and measures	E.5.4.1 Cleaner production E.5.4.2 Green technological innovation and recycling E.5.4.3 Green building renovation	Green Operation Green Operation – Green Management System; Green Operations – Use of Natural Resources – Water Resource Management	
	E.5.4.4 Green office and operation E.5.4.5 Green procurement and green supply chain management E.5.4.6 Environmental public welfare activities	The Company does not purchase equipment with energy efficiency lower than the access level when purchasing, and gives priority to purchasing equipment with a level of energy efficiency Green Operation Business Operation – Supply Chain Management Green Operation – Monitoring and Management Mechanism for Emission And Discharge – Atmospheric Emissions; Green Operation – Use of Natural Resources – Energy Utilization	

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Primary index	Secondary index	Three-level index	Disclose location or remarks
E.5.5 Green and low-carbon certification	E.5.5.1 Environmental management system certification E.5.5.2 Green and low-carbon enterprise certification E.5.5.3 Certification of green and low-carbon products and services	E.5.5.1 Environmental management system certification E.5.5.2 Green and low-carbon enterprise certification E.5.5.3 Certification of green and low-carbon products and services	Green Operation – Green Management System Most of the projects of the Company are wind power and photovoltaic projects, which belong to green and low-carbon projects, and do not involve green and low-carbon enterprise certification The Company did not have green low-carbon products and services certification during the Reporting Period
E.5.6 Legal compliance in the environmental field	E.5.6.1 Emergency plan for environmental emergencies E.5.6.2 Violations of laws and regulations in the environmental field	E.5.6.1 Emergency plan for environmental emergencies E.5.6.2 Violations of laws and regulations in the environmental field	Green Operation – Green Management System; The Company publishes environmental management plans every year, and carries out investigation and treatment of hidden environmental risks according to the plan The Company has no illegal activities in the field of ecological environment

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Primary index	Secondary index	Three-level index	Disclose location or remarks
Social category indicator			
S1 Employee rights	S1.1 Staff recruitment and employment	S1.1.1 Recruitment policy and implementation S1.1.2 Staff structure S1.1.3 Avoid employing child or forced labor	Caring for Employees – Employment Management Comprehensive Performance Caring for Employees – Employment Management
	S1.2 Employee compensation and benefits	S1.2.1 Compensation concept and policy S1.2.2 Working hours and rest and leave S1.2.3 Compensation and welfare guarantee S1.2.4 Democratic management of employees	Caring for Employees – Employment Management Caring for Employees – Employment Management Caring for Employees – Employment Management Caring for Employees – Employment Management
	S1.3 Employee health and safety	S1.3.1 Occupational health and safety management of employees S1.3.2 Employee safety risk prevention and control S1.3.3 Response to safety accidents and work-related injuries S1.3.4 Staff care and help	Caring for Employees – Occupational Health and Safety; Comprehensive Performance Caring for Employees – Occupational Health and Safety Caring for Employees – Occupational Health and Safety; Comprehensive Performance Caring for Employees – Physical and Mental Health of Employees
	S1.4 Employee development and training	S1.4.1 Employee motivation and promotion policy S1.4.2 Employee education and training S1.4.3 Staff career planning and job change support	Caring for Employees – Employment Management Caring for Employees – Talent Nurturing Caring for Employees – Employment Management, Physical and Mental Health of Employees
	S1.5 Employee satisfaction	S1.5.1 Employee satisfaction survey S1.5.2 Labor disputes S1.5.3 Employee mobility	Caring for Employees – Physical and Mental Health of Employees According to the <i>Labor and Employment Management System</i> of the Company, we manage our operations in accordance with relevant legal and compliance requirements, in collaboration with the Legal Affairs Department Comprehensive Performance

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Primary index	Secondary index	Three-level index	Disclose location or remarks
S2 Product and service management	S2.1 Product safety and quality	S2.1.1 Production standard management policies and measures S2.1.2 Quality management S2.1.3 Product recall and withdrawal S2.1.4 Product or service negative events	Caring for Employees – Occupational Health and Safety Business Operation – Operational Quality Assurance Due to the nature of CGN New Energy business, this item is not applicable to the Group Corporate Governance – Risk Management; The Company has not encountered any negative incidents related to our own products or services
	S2.2 Customer service and rights	S2.2.1 Customer satisfaction S2.2.2 Customer complaints and handling S2.2.3 Customer Information and privacy protection	The Group's business is mainly electricity generation and it does not have direct contact with electricity users, so this item is not applicable to the Group The Group's business is mainly electricity generation and it does not have direct contact with electricity users, so this item is not applicable to the Group Business Operation – Intellectual Property and Privacy Protection
	S2.3 Innovative development	S2.3.1 R&D and innovation management system S2.3.2 R&D investment S2.3.3 Innovation results S2.3.4 Intellectual property protection	Feature Article – Striving For excellence in Technological Innovation Feature Article – Striving For excellence In Technological Innovation Feature Article – Striving For excellence In Technological Innovation Business Operation – Intellectual Property Rights and Privacy Protection

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Primary index	Secondary index	Three-level index	Disclose location or remarks
S3 Supply chain security and management	S3.1 Supplier management	S3.1.1 Supplier selection and management S3.1.2 Number and distribution of suppliers	Business Operation – Supply Chain Management Business Operation – Supply Chain Management
	S3.2 Supplier management	S3.2.1 Supply chain management policies and practices S3.2.2 Supply chain security assurance and emergency plan S3.2.3 Significant risks and impacts (Supply chain)	Business Operation – Supply Chain Management Business Operation – Supply Chain Management Business Operation – Supply Chain Management
S4 Social contribution	S4.1 Tax payment status	S4.1.1 Tax payment	2023 Annual Report
	S4.2 Community co-construction	S4.2.1 Policies and measures for participation in local community building S4.2.2 Contribution and impact to the local community	Giving Back to the Society
	S4.3 Social welfare activities	S4.3.1 Policies and measures for participation in social welfare activities S4.3.2 Input and effectiveness of participation in social welfare activities S4.3.3 Barrier-free environment construction	Giving Back to the Society
	S4.4 National strategic response	S4.4.1 Industrial transformation S4.4.2 Rural revitalization and coordinated regional development S4.4.3 Belt and road and overseas performance S4.4.4 Industry characteristics and performance of other social responsibilities	The Company has not carried out relevant activities during the Reporting Period Green Operation Giving Back to the Society – Rural Revitalization, Support Educational Development The Company has not carried out relevant activities during the Reporting Period Giving Back to the Society

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Primary index	Secondary index	Three-level index	Disclose location or remarks
Governance category indicators			
G1 Governance policy and organizational structure	G1.1 Governance policies and processes	G1.1.1 Formulation of governance policies	2023 Annual Report – Corporate Governance Report; Corporate Governance – Governance Structure
		G1.1.2 Governance policy monitoring process	2023 Annual Report – Corporate Governance Report
		G1.1.3 Governance policy approval and review process	2023 Annual Report – Corporate Governance Report
		G1.1.4 Leading party building	Corporate Governance – Guiding in Party Building
	G1.2 Organizational structure and functions	G1.2.1 Ownership responsibilities G1.2.2 Organizational structure and functions of the Board of Directors, supervisory board and management G1.2.3 Appointment procedures and composition of the Board of Directors, supervisory board, and management	2023 Annual Report 2023 Annual Report – Corporate Governance Report; Corporate Governance – Governance Structure 2023 Annual Report – Corporate Governance Report
	G1.3 Salary management	G1.3.1 Remuneration plan for directors and supervisors G1.3.2 Transparency of board compensation	2023 Annual Report – Report of the Directors; The Board and supervisors who hold administrative positions in the shareholder unit shall be paid by the shareholder unit in accordance with the remuneration system of the shareholder unit; External directors shall be paid monthly in accordance with the salary standard approved by the Board 2023 Annual Report – Corporate Governance Report; The remuneration of board members shall be set according to the relevant standards of shareholder units or talent market
		G1.3.3 Rationality of management compensation	Green Operation – Addressing Climate Change – Governance; The variable salary of management members is between 50% and 60% and is assessed by the Board of the Company based on the annual contract

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Primary index	Secondary index	Three-level index	Disclose location or remarks
G2 Normative governance	G2.1 Internal control	G2.1.1 Internal audit G2.1.2 Internal control structure, mechanism, and process	Corporate Governance – Risk Management – Internal Audit 2023 Annual Report – Corporate Governance Report
	G2.2 Construction of integrity	G2.2.1 Integrity construction system standards G2.2.2 Effectiveness of measures to build integrity	Corporate Governance – Anti-corruption Corporate Governance – Anti-corruption
	G2.3 Fair competition	G2.3.1 Regulation of fair competition system G2.3.2 Effectiveness of fair competition measures	2023 Annual Report – Report of the Directors 2023 Annual Report – Report of the Directors
G3 Investor relations management and shareholder equity	G3.1 Investor relations management	G3.1.1 Investor relations management strategy G3.1.2 Investor communication G3.1.3 Construction of investor relations management department	Corporate Governance – Investor Relations Corporate Governance – Investor Relations Corporate Governance – Investor Relations
	G3.2 Shareholders' equity	G3.2.1 Shareholders' (general) meeting G3.2.2 Communication with shareholders G3.2.3 Shareholders' right to know and participate in decision-making	2023 Annual Report – Corporate Governance Report; Corporate Governance – Investor Relations 2023 Annual Report – Corporate Governance Report 2023 Annual Report – Corporate Governance Report
	G3.3 Creditor's equity	G3.3.1 Credit investigation G3.3.2 Bond market performance	2023 Annual Report 2023 Annual Report

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Primary index	Secondary index	Three-level index	Disclose location or remarks
G4 Transparency of information disclosure	G4.1 Information disclosure system	G4.1.1 Financial information disclosure	2023 Annual Report; The Group discloses financial information annually in its annual report and the 2023 Annual Report is published in April 2024
		G4.1.2 Non-financial information disclosure	About the Report; The Group discloses non-financial information annually in the Environmental, Social and Governance Report and the Environmental, Social and Governance Report 2023 is published in April 2024
	G4.2 Quality of information disclosure	G4.2.1 All disclosed information is regularly monitored, audited and evaluated	2023 Annual Report
G5 Compliance management and risk management	G5.1 Compliance management	G5.1.1 Compliance management system	Corporate Governance – Risk Management – Internal Management and Control and Compliance
		G5.1.2 Compliance system construction	Corporate Governance – Risk Management – Internal Management and Control and Compliance
		G5.1.3 Compliance review process	Corporate Governance – Risk Management – Internal Management and Control and Compliance
G5.2 Risk management		G5.2.1 Risk identification and early warning	Corporate Governance – Risk Management
		G5.2.2 Risk control and tracking	Corporate Governance – Risk Management
		G5.2.3 Risk reporting and management	Corporate Governance – Risk Management



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