



山高控股集團有限公司

SHANDONG HI-SPEED HOLDINGS GROUP LIMITED

(Incorporated in Bermuda with limited liability)

2023

Environmental, Social and Governance Report

Stock Code: 00412



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About the Report

This report (the "Report") is a true reflection of Shandong Hi-Speed Holdings Group Limited's proactive approach to fulfilling its environmental, social and governance ("ESG") responsibilities and achieving comprehensive and coordinated sustainable development. The forward-looking descriptions of business plans and development strategies set out in the Report do not constitute actual commitments by the Company to investors.

Reporting Period

The time limit for the contents of this Report is from January 1 to December 31, 2023, and some of the contents go beyond the above-mentioned range.

Reporting Specification

This report covers Shandong Hi-Speed Holdings Group Limited and its subsidiaries, which are referred to as "SDHG", the "Company", "we" or the "Group" respectively in the Report.

Reporting Scope

The reporting scope is determined by the management of the Group, taking consideration of the Group's resource allocation and status of operations of different business segments, and includes the Group's business operations in Hong Kong, Mainland China and Singapore. In 2022, the Group completed the acquisition of shares of Shandong Hi-Speed New Energy Group Limited ("SHNE") (renamed before as Beijing Enterprises Clean Energy Group Limited ("BECE"), a Hong Kong-listed company (01250.HK)), and this Report will include relevant ESG data of SHNE.

Sources of Information

All information and data obtained from the Company's official documents, statistical and financial reports, as well as environmental, social and governance information compiled, aggregated and audited by the Company. The Chinese version shall always prevail in case of any discrepancy or inconsistency between the English version and the Chinese version.

Basis of Preparation

The Report is prepared in accordance with the Appendix C2 *Environmental, Social and Governance Reporting Guide* (the "Guide") of the *Main Board Listing Rules* issued by the Stock Exchange of Hong Kong Limited (the "Stock Exchange"), adhering to the Guide's stipulations on "materiality," "quantitative," "balance," and "consistency" principles.

Materiality principle: In accordance with the requirements of the Guide and other relevant principles, SDHG has combined the concerns of the capital market on the sustainable development of the Company with various forms of communication and exchanges with various stakeholders and conducted benchmarking analysis on the issues disclosed in the reports of peer companies to identify and screen out issues of materiality relevant to SDHG. The materiality of different material issues has been reviewed and confirmed by the board of directors of the Company (the "Board") and senior management.

Quantitative principle: SDHG has established a standardized ESG Indicator Management tool to compile quantitative key disclosure indicators for all "environmental" areas and certain "social" areas of the ESG reporting guidelines regularly and to summarize them during the year to form this Report for external disclosure. The quantitative ESG information is detailed in the sections of this Report.

Balance principle: This Report has presented SDHG's 2023 ESG performance in an objective and fair manner, avoiding choices, omissions, and presentation formats that may inappropriately affect the decision-making or judgment of report readers as much as possible.

Consistency principle: The disclosure scope remains largely unchanged compared to last year's sustainability report, and a consistent approach to disclosure statistics has been used, with further refinements to the categories of disclosure corresponding to certain ESG reporting guidelines of the Stock Exchange.

Access to the Report

The Report is available in an electronic version. The electronic version of the Report can be viewed and downloaded from the Company's website (<https://www.sdhg.com.hk/en/>) and the HKEXnews website of the Stock Exchange (www.hkexnews.hk).

Chairman's Statement

As we move forward into a new era, 2023 emerged as a pivotal period for advancing towards a greener and more harmonious high-quality development for both the economy and society. The global economy is gradually emerging from the haze of the COVID-19 epidemic, and recovery has become the mainstream keyword for economic development. Confronted with both external pressures and internal challenges, the Chinese economy steadfastly progressed towards high-quality development, demonstrating sustained economic recovery and enhancement. Amid a mixture of opportunities and challenges, SDHG diligently embraced the new development philosophy, striving to establish itself as a distinguished industrial investment group that drives high-quality and sustainable development through premium investments.

We adhere to compliant operations to safeguard the enduring prosperity of our enterprise. We have established a clear ESG governance structure and corresponding responsibilities to drive the implementation of ESG practices, ensuring the Company's stable operation and long-term development through effective ESG governance. Continuously enhancing our risk management organizational structure, conducting thorough risk assessments, and integrating risk monitoring, prevention, and response into all Company activities, we consistently uphold the highest standards of integrity, adhere to business ethics norms, and vehemently oppose any form of misconduct. This approach lays a solid foundation for the Company's sustainable development.

We focus on green investments and stimulate industrial value. Aligned with ESG development trends and focused on national "dual carbon" goals and green investment guidelines, our emphasis is on green and sustainable industries, particularly new energy. Guided by a philosophy of professional and sustainable investment, we continue to steadily increase the proportion of industrial investment to achieve a virtuous cycle of self-development. In 2023, while further enhancing SHNE's professional investment management, SDHG strategically positioned itself in the digital new infrastructure sector by investing in the U.S.-listed company VNET Group ("VNET") (NASDAQ: VNET). This move enhances the synergy between our green energy and data center industries, aiming to create a "green power + computing power" ecological closed loop characterized by "on-demand power generation, consumption as needed, fair pricing, and mutual benefits." This initiative propels energy-intensive data center businesses towards green and low-carbon transformations, optimizing industrial ecosystems and strengthening corporate competitiveness.

We collaborate closely with our employees to achieve mutual growth and work towards a better future together. Embracing a "people-oriented" development philosophy, we view talent as the primary driver of the Company's sustainable progress. We prioritize safeguarding employees' rights and interests by offering a competitive remuneration and benefits system, establishing clear pathways for career advancement, and fostering a harmonious work environment that encourages mutual learning and improvement. By emphasizing employees' career growth, health, and safety, we enhance their sense of security, fulfillment, and well-being, ultimately aligning the Company's values with those of our employees.

We embrace green development and shoulder corporate responsibility. By establishing energy and carbon emission management objectives, optimizing energy-saving measures, and reducing water usage, we consistently uphold our commitment to efficient energy utilization and the principles of green and low-carbon practices. Actively engaging in green investment-related sectors, we support our nation in addressing climate change, achieving dual carbon goals, and promoting sustainable and low-carbon development, thereby contributing to the establishment of an ecological civilization and an environmentally friendly society. Additionally, we are committed to giving back to society, fostering warmth, and supporting social welfare through our development, contributing to the creation of a harmonious society.

Looking ahead to 2024, amidst the global shift towards "carbon neutrality," SDHG remains steadfast in anchoring its strategic objective of establishing an exceptional industrial investment holding group. By harnessing the advantages of cross-border collaboration and empowering shareholders, we will diligently promote the cultivation and advancement of the innovative "new energy+" model, generating unique value for investors and crafting a new chapter in the Company's green and sustainable development.

Board Statement

SDHG highly values the importance of Environmental, Social, and Governance (ESG) factors in ensuring the Company's long-term sustainable operation. We strictly adhere to the regulations outlined in the Guide and continually enhance the Company's ESG management mechanisms and governance systems. The Directors of SDHG are dedicated to establishing a robust ESG management system, strengthening ESG governance efforts, and consistently advancing the Company's sustainable development.

In 2023, SDHG reviewed and approved the *Shandong Hi-Speed Holdings Group Limited Social, Environmental, and Governance (ESG) Policy*. As the highest decision-making body for the Company's ESG initiatives, the board (the "Board") of directors (the "Directors") of SDHG identifies key ESG risks and opportunities through regular communication on ESG-related matters and oversees the implementation of ESG affairs. Under the executive committee authorized by the Board of Directors (the "Executive Committee"), we have established an ESG taskforce of the Company (the "Taskforce") tasked with organizing, coordinating, and implementing ESG-related initiatives.

The Board of Directors of SDHG continuously enhances the integration of ESG responsibility principles with business strategies, aiming to maintain transparent, open, timely, and effective communication with all stakeholders, while identifying and assessing material ESG topics. Considering the external macroeconomic environment and the Company's development strategy, the Board of Directors and Executive Committee discuss and determine the Group's ESG risks and opportunities, and make decisions on the annual ESG management work, ESG objectives and the project process.

Under the leadership of the Board, SDHG has established the strategic transformation policy of "professionalization, concentration, marketization, and institutionalization". The Company is focusing on emerging industries such as new energy and new infrastructure, fostering collaboration between the green energy and data sectors. We are gradually increasing the proportion of our industrial investments and vertically integrating upstream and downstream enterprises in the industrial chain to bolster the Company in achieving stable and sustainable development.

This Report provides a detailed disclosure of the progress and effectiveness of SDHG's ESG efforts in 2023, which is reviewed and approved by the Board on March 27, 2024. In the future, SDHG will further enhance its ESG efforts and promote the standardization and normalization of corporate disclosure quality, bolstering the Company's sustainable operation.

About SDHG

Shandong Hi-Speed Holdings Group Limited (00412.HK) is an important overseas investment, financing, and industrial holding platform of Shandong Hi-Speed Group Co. Ltd. ("Shandong Hi-Speed Group"). The Company is mainly engaged in industrial investment, standard investment, non-standard investment and licensed financial services business. The Company is licensed by the Securities and Futures Commission of Hong Kong to carry on Type 1, 4, 5, 6 and 9 regulated activities. Additionally, it holds a Qualified Foreign Limited Partner (QFLP) license, financial leasing, factoring, and other licenses, empowering industrial development through both domestic and international connections and the flexible utilization of diverse investment tools. As of the end of 2023, the Company boasts total assets of HKD72.738 billion and possesses ownership stakes in two listed companies, Shandong Hi-Speed New Energy Group Limited (01250.HK) and Shandong High-Speed Renewable Energy Group Limited ("SHREG") (000803.SZ). The Company's international primary rating is A- (Fitch).

The Group adheres to the core development philosophy of "prudent compliance and steady growth" and takes "professionalization, concentration, marketization, and institutionalization" as its strategic transformation approach. We focus on strategic emerging industries like new energy and new infrastructure, selecting investment targets with strong growth potential and strategic and industrial synergies with the controlling shareholder's business. The Group continues to steadily increase the proportion of industrial investments and vertically integrate upstream and downstream enterprises in the industry chain to enhance synergy and achieve a virtuous cycle of self-development. In May 2022, SDHG successfully acquired a 43.45% stake in SHNE to make a high start in the new energy industry. Through its holding in SHNE, the Company has also indirectly become the largest single shareholder of SHREG, a main board listed company on the Shenzhen Stock Exchange focusing on kitchen waste resource utilization in China. This positions the Company as the investment holding platform for two listed companies actively engaged in the new energy and green environment sub-sectors. In December 2023, SDHG strategically invested in VNET to foster synergies between its green energy and data center industries. This investment aims to establish a collaborative industrial ecosystem model encompassing "integration of source, network, load and storage", creating a sustainable cycle of "green power + computing power" characterized by "on-demand power generation, consumption as needed, fair pricing, and mutual benefits". The initiative is designed to drive the transformation of energy-intensive data center operations towards green and low-carbon practices, optimizing industrial ecosystems and enhancing the Company's competitive edge.

SDHG adheres to a long-term value investing philosophy, deploying its own capital for standard equity and fixed-income investment activities. Through in-depth analyses of macroeconomic markets and specific industries, the Company identifies high-quality investment opportunities with stable growth potential and the ability to achieve long-term advantages. In 2023, in response to market fluctuations, the Group adopted a defensive management strategy and prudently launched other investment businesses, including significantly reducing non-standard investment businesses, continuing to scale down standard investment businesses, and strictly controlling investment risks.

Looking ahead, the Group will maintain its strategic plan of "consistency" while maintaining strategic flexibility to "adapt to changing times". We will accelerate the momentum of "investment + investment management", seizing opportunities in green, low-carbon, and digital transformation. Through in-depth research and analysis, we will steadily promote the healthy development of our industrial investment business and establish ourselves as experts in industrial investment.

"Consistency"

"Adapt to Changing Times"

"Investment + Investment Management"

ESG Performance Highlights

Sustainable Fitch affirmed SDHG with an **ESG entity rating of "2"** (ratings range from "1" to "5," with "1" being the best)



In August 2023

SDHG was selected as the **2023 ESG Excellent Practice Cases** of Listed Companies by the **China Association for Public Companies**



In November 2023



SDHG received the **"Annual ESG Pioneer Award"** from GuruClub

In December 2023



At the 8th Zhitong Finance Listed Company Selection, SDHG was honored with the **"Best ESG Company Award"**

In December 2023



SDHG received the **"Best Listed Company for ESG Practice Award"** from Ta Kung Wen Wei

In December 2023

Robust Governance

SDHG is actively pursuing the principles of sustainable development, consistently adhering to legal and regulatory requirements in our business operations. We continuously strengthen our governance structure and firmly advance in establishing a comprehensive risk management system. Furthermore, we enhance our strategic decision-making capabilities and operational management standards, consistently advancing ESG governance efforts, thereby creating sustainable value.

UNSDGs



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ESG Governance

We have cultivated a corporate culture and strategy centered on sustainable development, underpinned by a comprehensive, clearly defined, and efficient ESG governance structure that meticulously considers economic, social and environmental factors in our business decision-making processes. Moreover, we actively engage with stakeholders to understand and address their environmental, social and governance expectations from various angles, thereby continuously improving our overall ESG performance.

To effectively plan and manage ESG initiatives, we have reviewed and approved the *Shandong Hi-Speed Holdings Group Limited Social, Environmental, and Governance (ESG) Policy*, which specifies that the Board of Directors is the highest decision-making body for ESG matters within the Company. The Executive Committee under the Board of Directors is responsible for ESG supervision and management functions, guiding the ESG taskforce of the Company (the "Taskforce") to organize and carry out ESG work, listening to reports from the Taskforce and reporting to the Board of Directors on a regular or irregular basis. Additionally, we incorporate ESG initiatives into the Company's performance evaluation. During the reporting period, we organized one ESG training session for the Board to enhance the ESG expertise of its members effectively, thereby improving the scientific and compliant nature of their decision-making.

ESG governance structure and responsibilities

Level	ESG-related responsibilities
Board of Directors (Highest Decision-Making Body)	<ul style="list-style-type: none"> Review and approve the Company's ESG policies, strategies, goals, medium to long-term plans, work progress, and evaluate the Company's ESG performance Review and approve the assessment results of ESG-related risks and opportunities, as well as the corresponding strategies Ensure the establishment of a robust ESG management and monitoring system within the Company Review and approve the determination results of ESG material issues, annual ESG reports, and disclosure materials
Executive Committee (Management, Oversight, and Daily Work Review Body)	<ul style="list-style-type: none"> Review the Company's ESG policies, strategies, goals, and medium to long-term plans Review and approve the Company's annual ESG work plan and the establishment of management indicators, and regularly oversee the progress of objectives and key initiatives Review the identification and assessment results of ESG-related risks and opportunities, develop ESG-specific response strategies and management methods, and monitor and evaluate the effectiveness of ESG-related topic management Review the determination results of ESG material issues and annual ESG reports Regularly or irregularly engage in effective communication with each Director and committees of the Board to ensure that Directors and senior executives are kept informed of the latest ESG-related topics within the Company



In 2023, the Company revised the *Board Diversity Policy*, and regularly reviewed the structure, size, composition, and diversity of the Board to ensure that Board members achieve an appropriate balance in terms of capabilities, experience, perspectives, and other aspects. This effort aims to enhance the effective operation of the Board and maintain a high level of corporate governance. During the reporting period, the Board included one female director, and we remain committed to meeting stakeholder expectations and adhering to international and local best practices to enhance gender diversity and achieve an appropriate gender balance.

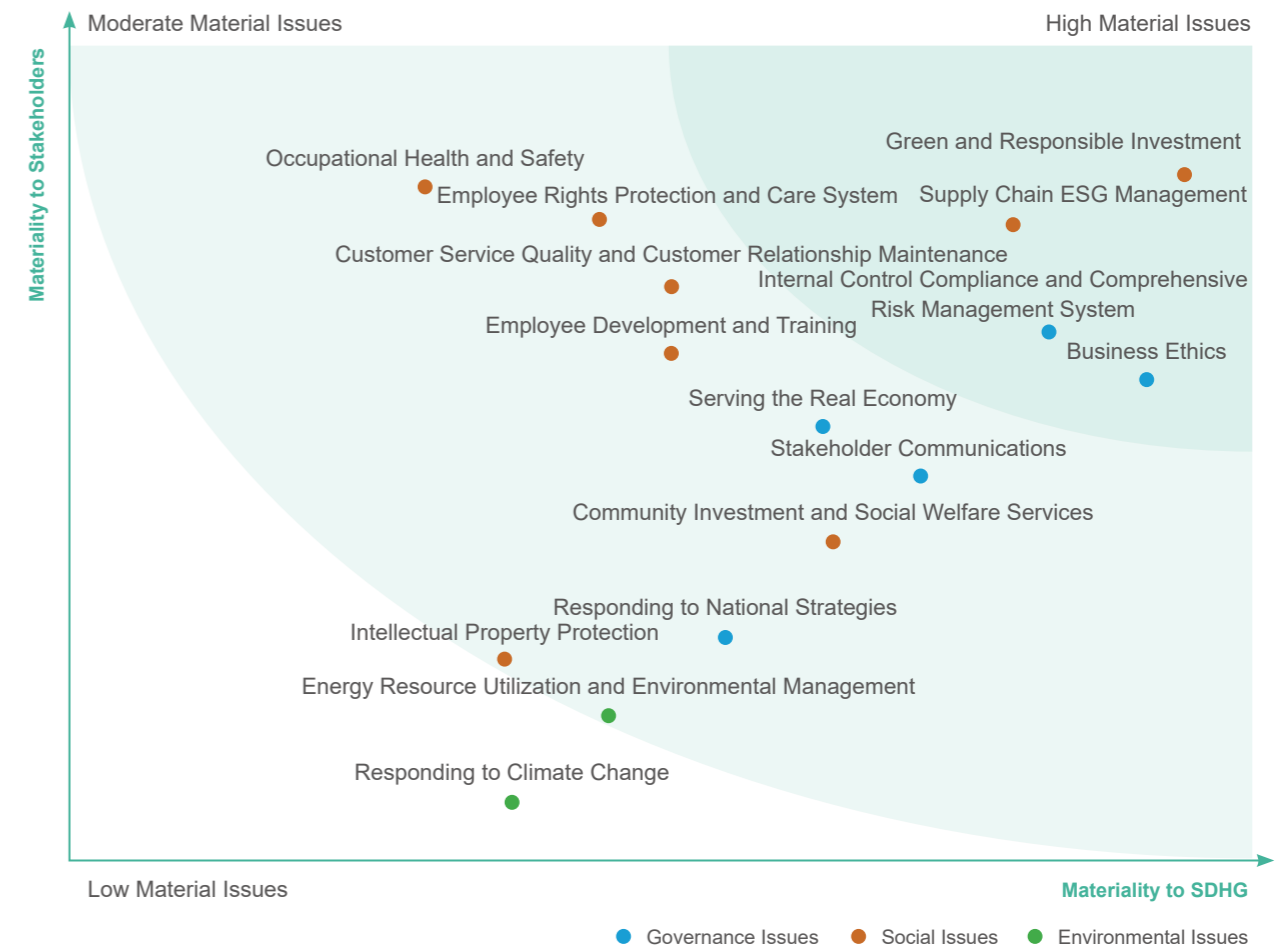
SDHG considers stakeholders' focus and concerns as critical drivers for ESG management. The Company has established robust communication channels with key stakeholders, including government and regulatory authorities, investors and shareholders, customers, employees, partners, ESG rating agencies and associations, and the community groups. By actively considering the opinions and suggestions of stakeholders, we ensure their effective engagement, enhance ESG practices and strive to better meet the expectations and requirements of all stakeholders.

Stakeholders	Main Concerns	Main Engagement Channels
Government/Regulatory Authorities	<ul style="list-style-type: none"> Comply with the Law Respond to National Policies Economic and Social Impact Anti-Corruption 	<ul style="list-style-type: none"> Corporate Announcements Financial Reports and Press Releases Institutional Visits Regular Visits and Communications
Shareholders/Investors	<ul style="list-style-type: none"> Corporate Governance Economic Performance and Market Performance Investment Returns and Growth Information Disclosure 	<ul style="list-style-type: none"> Investor Conferences and Roadshows Annual General Meetings Corporate Announcements Financial Reports and Press Releases Regular Visits and Communications
Customers	<ul style="list-style-type: none"> Customer Service Demand Response Management Service 	<ul style="list-style-type: none"> Daily Communications Company Website Feedback from Frontline Employees After-sales Services and Complaints Customer Activities
Employees	<ul style="list-style-type: none"> Legal Rights of Employees Compensation and Benefits Development and Training Health and Safety 	<ul style="list-style-type: none"> Employee Training Internal Management Systems Employee Forum Festive Activities
Partners	<ul style="list-style-type: none"> Business Ethics and Anti-Corruption Economic Performance and Market Performance Customer Relationship Management Building Long-Term Relationships 	<ul style="list-style-type: none"> Cooperative Negotiation Assessments and Surveys Daily Business Communications and Visits
ESG Rating Agencies and Associations	<ul style="list-style-type: none"> Corporate ESG Governance Internal Risk Management Supply Chain Management Stakeholder Communications Green Investments Environmental and Climate Management 	<ul style="list-style-type: none"> Company Website Disclosure Report Social Media Symposium on Exchange
Community Groups	<ul style="list-style-type: none"> Economic and Social Impact Supporting the Community 	<ul style="list-style-type: none"> Social Welfare Organizations Charitable Organizations Business Associations

We consider the requirements and expectations of stakeholders as pivotal factors in formulating the Company's ESG development strategy. In 2023, based on actual business practices, combined with national policy directions, and with reference to compliance guidelines of the Stock Exchange, the ESG rating system of the capital market, and best practices of the investment holding industry, we identified 15 ESG issues related to the Company. We conducted a stakeholder survey to further screen and evaluate ESG materiality issues and implement issue management and practices.

A total of 208 valid questionnaires were collected during the reporting period. Based on the survey results, a matrix of materiality issues was formed, and the Board of the Company made a final determination on the assessment results to ensure that the issues were reasonable and compliant.

SDHG 2023 ESG Material Issue Matrix

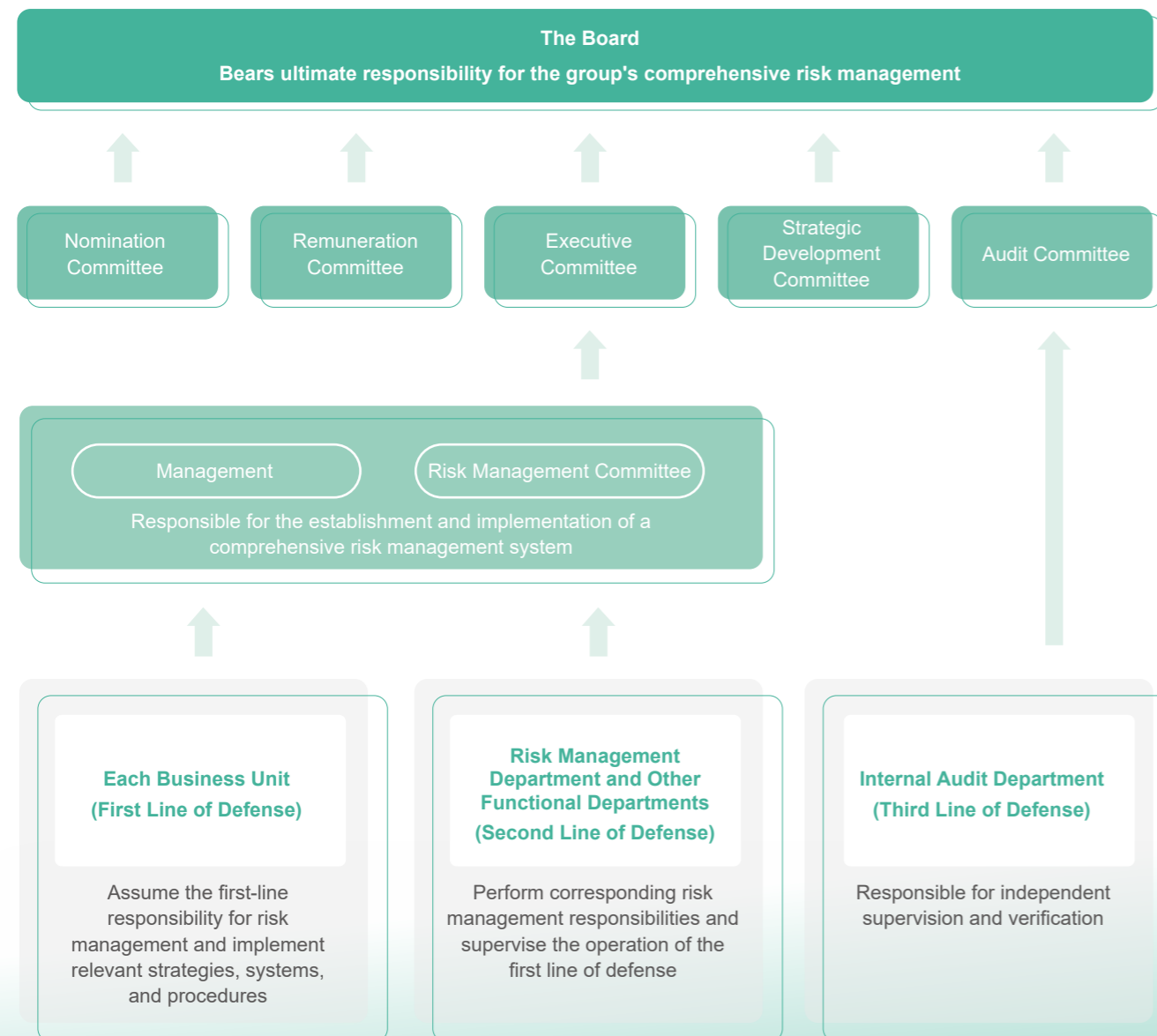


High Material Issues	Moderate Material Issues	Low Material Issues
<ul style="list-style-type: none"> S Green and Responsible Investment S Supply Chain ESG Management G Business Ethics G Internal Control Compliance and Comprehensive Risk Management System 	<ul style="list-style-type: none"> G Stakeholder Communications G Serving the Real Economy S Community Investment and Social Welfare Services S Employee Rights Protection and Care System S Customer Service Quality and Customer Relationship Maintenance S Employee Development and Training S Occupational Health and Safety G Responding to National Strategies E Energy Resource Utilization and Environmental Management S Intellectual Property Protection 	<ul style="list-style-type: none"> E Responding to Climate Change

Risk Management

We consider risk management as a critical measure to enhance efficiency and fulfill corporate responsibilities. In compliance with relevant laws and regulations, and in accordance with listing rules and actual business conditions, we have developed various risk-related management systems and guidelines. These include the *Comprehensive Risk Management Framework System of Shandong Hi-Speed Holdings Group Limited*, the *Market Risk Management Measures of Shandong Hi-Speed Holdings Group Limited*, the *Credit Risk Management Measures of Shandong Hi-Speed Holdings Group Limited*, *Liquidity Risk Management Measures of Shandong Hi-Speed Holdings Group Limited*, and the *Measures for Post-investment Management of Shandong Hi-Speed Holdings Group Limited*. These systems and guidelines delineate the risk management organizational structure of SDHG, the comprehensive risk management "three lines of defense," their respective responsibilities, as well as the standardization of entry requirements and business processes. Moreover, during the reporting period, we added new requirements to improve the risk list, clarified the responsible departments and risk management policies, optimized the annual risk assessment procedures, and enhanced the criteria for comprehensive risk reporting.

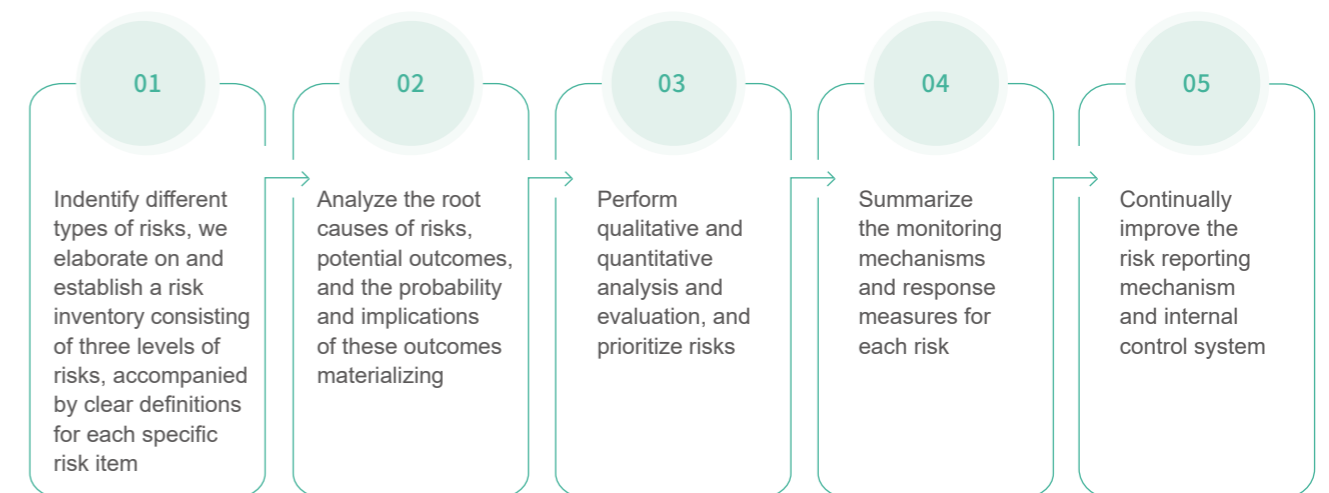
Risk Management Organizational Structure



We prioritize enhancing the internal control system while concurrently reinforcing the post-investment management system in alignment with the strategic transformation of industrial investment. Following the acquisition of SHNE by SDHG, we systematically enhanced the oversight and governance of the joint-stock holding companies, consistently elevating the development quality of these entities. In 2023, leveraging SDHG's comprehensive risk management framework, SHNE implemented a tailored risk management system aligned with its business characteristics. This system covers various stages of investment, including pre-investment, investment execution, and post-investment phases. SHNE has improved the operations of the risk management committee of the Board and engaged external professional organizations to lead the diagnostic process of the internal control system, ensuring continuous progress in optimizing internal control management.

In 2023, SDHG conducted a comprehensive risk assessment, identifying a total of 39 specific risks across eight categories: strategic risk, credit risk, market risk, liquidity risk, operational risk, reputation risk, legal compliance risk, and human resource risk. These risks were identified in various areas, including strategy, operations, finance, and regulatory compliance. The identified risk inventory includes a variety of ESG risks, encompassing risks associated with sustainable development governance, political and social instability, negative public opinions, disasters, crisis management, integrity, ethics, as well as health and safety. In response to sustainable development governance risks, we consistently enhance our strategic planning, conduct regular reviews of strategic decisions, and gather external environmental information from various sources, thereby effectively managing these risks related to sustainable development governance.

Risk Assessment Process













Leveraging a robust risk management framework and the risks identified, we diligently adhere to the four key principles of risk monitoring and early warning in our daily operations and project implementation. We seamlessly integrate risk monitoring, prevention, and response across all aspects of our operations to enhance our risk defense capabilities and elevate the standards of risk management and response.

Principles of Risk Monitoring and Early Warning

 Timeliness	»»	<ul style="list-style-type: none"> Strictly follow the prescribed frequency and time to complete daily risk monitoring and ensure timely detection and mitigation of risks
 Prudence	»»	<ul style="list-style-type: none"> Strengthen risk monitoring and develop corresponding risk prevention and control measures for all types of potential risks within a reasonable range
 Confidentiality	»»	<ul style="list-style-type: none"> Strictly prohibit the disclosure of any information related to risk prevention and control without proper authorization
 Continuity	»»	<ul style="list-style-type: none"> Establish follow-up and supervision mechanism for identified risks to ensure thorough implementation of risk mitigation measures

To disseminate risk management knowledge and enhance the risk management awareness of all employees, we continuously improve risk management and compliance training. In 2023, SDHG conducted four training sessions on risk management, covering 100% of all employees, thus fostering the development of a culture of compliance risk within the Company.

Risk Management-themed Training

 March 17, 2023		 October 26, 2023	
<ul style="list-style-type: none"> ✓ Information Security Industry Seminar 		<ul style="list-style-type: none"> ✓ Post-Investment Management Special Training 	
 December 6, 2023		 December 20, 2023	
<ul style="list-style-type: none"> ✓ Energy Storage Industry Seminar 		<ul style="list-style-type: none"> ✓ Internal Seminar on the Internet of Things Industry 	
			

Business Ethics

We consistently uphold the principles of honest and compliant operations, and strictly adhere to relevant laws and regulations, including the *Company Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, and the *Anti-Unfair Competition Law of the People's Republic of China* in Mainland China, the *Anti-Money Laundering and Counter-Terrorist Financing Ordinance*, the *Prevention of Bribery Ordinance*, and the *Sample Code of Conduct* in Hong Kong, and the *Anti-Corruption Act* in Singapore. We strengthen our system norms and review mechanisms, identify conflicts of interest, and vigorously combat misconduct such as corruption, malpractice, fraud, and money laundering. In 2023, SDHG did not discover any significant violations of laws and regulations related to the prevention of bribery, extortion, fraud, and money laundering, and there were no corruption-related lawsuits involving the Company or its employees.

Business Ethics Compliance Initiatives

> Improvement for System Constraints

The Company has formulated and distributed confirmation letters to directors and all employees for their acknowledgment and agreement with the contents of the compliance manual of the Company (the "Compliance Manual"). All directors and employees of the Company must adhere to the core values of "honesty, integrity, and fairness" and practice ethical business conduct.

The Company has implemented an anti-money laundering system entitled the *Policies and Procedures for Combating Money Laundering and Terrorist Fund Raising*, which specifies the duties of the control departments and the methods of dealing with suspicious transactions or customers. The Company strongly opposes money laundering activities, ensuring compliance in its operations.

> Strengthened Senior Management Supervision

The Company clearly delineates the regulatory responsibilities of all parties involved. The Corporate Compliance Officer conducts pre-transaction anti-money laundering reviews on potential counterparties. Meanwhile, the Investment Decision Committee is responsible for approving contracts and voting on investment cases, ensuring the absence of conflicts of interest to prevent corruption incidents.

> Facilitation of Whistle-blowing Channels

In 2023, the Company revised and issued the *Internal Complaint Management Regulations*, outlining the management structure and responsibilities for internal complaints. These regulations specify the complaint process for issues related to anti-corruption, extortion, fraud, and money laundering, thereby enhancing the Company's internal complaint management practices.

Furthermore, the Company has implemented a protection mechanism for both complainants and the accused. This mechanism includes provisions such as refraining from directly disclosing the actual names of both complainants and the accused in relevant reports or discussions, opting instead to use pseudonyms.

> Implementation of Staff Training

The Company disseminates monthly email updates to employees containing SFC circulars and compliance news. Furthermore, the Company hosts occasional anti-corruption training seminars and training sessions related to the *Compliance Manual* to enhance employees' ethical awareness in their professional roles.

Case Training on Integrity Management and Anti-Corruption Education

On November 28, 2023, we invited Ms. Markie Mak, Senior Integrity Education Relations Officer, to conduct a themed training session on "Integrity Management and Anti-Corruption Education" for all employees. The training aimed to raise employees' awareness of preventing and combating corruption, strengthen their ethical standards, and elevate the Company's integrity governance.

Case The Company Participate in the Anti-Money Laundering and Counter-Terrorist Financing Seminar

In November 2023, we participated in the Anti-Money Laundering and Counter-Terrorist Financing Seminar organized by the Securities and Futures Commission of Hong Kong. Experts shared the latest regulatory developments and case studies related to combating money laundering and terrorist financing, offering valuable insights and guidance for the Company's anti-money laundering efforts.



Anti-Money Laundering and Counter-Terrorist Financing Seminar 2023

Business Ethics Data

Indicators	Indicator Classification	Unit	Data for 2023
The number of corruption litigation cases filed against the Company or its employees during the reporting period and already adjudicated		Case	0
Training on Business Ethics and Anti-Corruption	The Number of Courses	Sessions	10
	The Number of Participants - Board Level	Persons	2
	The Number of Participants - Employee Level	Persons	558
	Training Hours - Board Level	Hours	1
	Training Hours - Employee Level	Hours	26

Responsible Operation

SDHG is actively fulfilling social responsibilities to customers and partners through tangible actions. We propel business growth through responsible investments, uphold strict control over product and service quality, and efficiently implement measures to safeguard data privacy and intellectual property. In doing so, we consistently deliver sustainable long-term value to all sectors of society.

UNSDGs



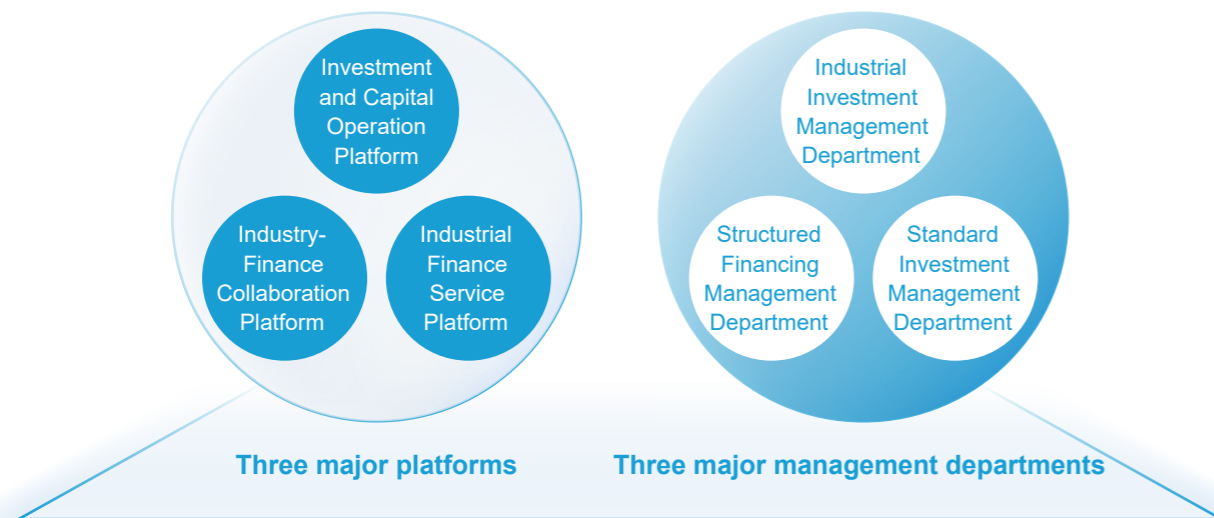
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Responsible Investment

We closely monitor the historical evolution of social value orientation and economic governance, establish and continue to improve the investment business affairs system supported by three major management departments. We focus on strengthening our comprehensive industrial operational platform and business segments to conduct responsible investment activities. In our investment practices, we prioritize responsibility towards the environment, society, and corporate governance, fostering a virtuous cycle for corporate development.



In 2023, we optimized and revised the *Credit Risk Management Regulations of Shandong Hi-Speed Holdings Group Limited* to align with the current year's operational status and industry responsible investment requirements. This ensures adherence to green investment principles and secures a resilient journey forward.

List of Negative and Restricted Categories

Negative List

- ▶ The Environment Impact Assessment of the project corresponding to the investment of funds failed
- ▶ Enterprises with Environmental Protection Credit Ratings of "Red" and "Black"
- ▶ Industries listed in the *Catalogue for Guiding Industry Restructuring (2023)*¹ that have been eliminated
- ▶ Industries in the *Catalogue of Obsolete Processes, Technologies and Equipment Eliminated due to High Water Consumption*² and the *Catalogue of Obsolete Mechanical and Electrical Equipment (Products) Eliminated due to High Energy Consumption* published by the Ministry of Industry and Information Technology

¹ Subject to the latest version updated by the NDRC in due course

² Subject to the latest version updated by the Ministry of Industry and Information Technology in due course

Restricted List

- ▶ Traditional manufacturing industries not on the negative list, with high energy consumption, high pollution, and excess production capacity
- ▶ Industries not included in the negative list, subject to dual environmental and resource constraints, and heavily influenced by industrial upgrading and environmental policies

We are currently in the golden era of sustainable development, fully committed to integrating sustainable principles into our daily investment practices. Our expansion of industrial scale includes the acquisition of SHNE, a company primarily focused on photovoltaic and wind power generation. We have supported the introduction of third-party strategic investments in SNHE, such as Ping An Capital Management, through a capital increase. This strategic move positions us at the forefront of the clean energy power generation sector, driving momentum for the Company's green transformation and value creation. In 2023, we strategically acquired a stake in VNET, leveraging it as a key entry point to develop our corporate digital infrastructure within the industry and to explore further potential for green financing within the Company.



SDHG Strategically Acquired a Stake in VNET

In December 2023, SDHG and VNET entered into a \$299 million equity investment agreement with the aim of fostering synergistic cooperation within the digital center industry. Together, we seek to establish a "green power + computing power" ecological closed loop that embodies principles of "on-demand power generation, consumption as needed, fair pricing, and mutual benefits." This strategic partnership is designed to support our transition towards green and low-carbon practices.

Moreover, we conduct comprehensive responsible investment research across multiple sectors, including photovoltaics, lithium batteries, energy storage, artificial intelligence, charging infrastructure, smart grids, carbon emissions trading, and perovskite. We achieve this through the dissemination of macro reports, market analyses, and the facilitation of seminars. Our primary goal is to explore innovative approaches and strategies to promote green transformation within these industries.

Product Responsibility

We maintain stringent quality standards and oversee activities related to product health and safety, brand promotion, and customer-centric matters in full compliance with legal regulations. Through the implementation of comprehensive the *Management Measures for Brand Promotion and Public Opinion Risk Emergency Response at Shandong Hi-Speed Holdings Group Limited*, we honor our commitments to customers and consumers, thereby enhancing the Company's competitiveness and services. Due to the business model of SDHG, we do not have products that require recall for safety and health reasons.

We uphold responsible marketing and service principles, actively listening to and promptly addressing customer feedback and requests. By identifying customer pain points and raising service standards, we strive to proactively prevent and mitigate any negative factors that could impact the Company's reputation. Our commitment remains unwavering in consistently delivering top-notch products and services to customers and consumers. During the reporting period, our subsidiary company, SHNE's clean heat supply business received a total of 261 complaints, timely complaint handling rate reached 100%, and the handling rate reached 99.20%.



During the reporting period, the timely complaint handling rate reached

100%

Protection of Rights and Interests

We fully respect customer rights and rigorously uphold privacy information security and intellectual property protection efforts in strict accordance with laws and regulations. Our commitment ensures that customer respect and protection are effectively prioritized. As of the end of 2023, SDHG had no violations related to privacy security and intellectual property rights.

Privacy Protection

Aligned with pertinent privacy and information protection laws and regulations governing both domestic and international operations, we have developed and consistently enhanced internal systems like the *Compliance Manual* and the *Information Disclosure Management System*. Through the implementation of measures such as system configuration, agreement signing, and policy enforcement, our aim is to establish a secure and compliant business environment for our valued customers and consumers.

Privacy Security Management Measures

System Configuration

- ▶ To eliminate violations stemming from business conflicts and information leaks, the Company implements and continuously enhances functional separation systems to effectively control the flow of confidential materials across companies and departments

Agreement Signing

- ▶ The Company provides written assurances to safeguard the privacy and security of investment partner information by entering into confidentiality agreements with investors

Policy Enforcement

- ▶ The Company enforces strict adherence to internal confidentiality provisions among employees and proactively ensures the privacy and security of customers and individuals
- ▶ For employees involved in investment targets, the Company effectively restricts employees' transactions by requiring them to submit written transaction declarations

Intellectual Property Protection

We adhere to the relevant intellectual property laws, such as the *Patent Law of the People's Republic of China*, the *Detailed Rules for the Implementation of the Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, the *Regulations for the Implementation of the Trademark Law of the People's Republic of China*, the *Trademark Ordinance* in Hong Kong, and the *Patents Act* in Singapore. These laws serve as guiding principles for our intellectual property operations, ensuring effective implementation of trademark, copyright, patent, and other intellectual property rights usage and protection. By avoiding infringement of others' intellectual property rights and safeguarding our legitimate interests, we contribute to fostering a conducive market environment.

Partnership Relations

A stable and efficient supply chain serves as the cornerstone guarantee for the high-quality development of SDHG. We prioritize communication and collaboration with suppliers, integrating the principles of openness, inclusivity, and environmental friendliness throughout the supplier entry, management, and assessment processes. This approach is aimed at establishing a mutually beneficial and trustworthy cooperation network with our partners.

Supplier Management Process

Supplier Entry

- ▶ We uphold the principles of fairness, impartiality, and transparency, considering factors such as compliance level, overall strength, reputation, cost-effectiveness, delivery quality, and ESG performance of suppliers and intermediary agencies. We have established a record database and compiled the *Supplier and Intermediary Registration Database List*
- ▶ Following the internal guidelines outlined in the *Supplier and Intermediary Agency Selection Guidelines (Revised)* of Shandong Hi-Speed Holdings Group Limited, we engage suppliers registered in the record database through external invitations and recommendations
- ▶ During the supplier selection process, suppliers with exceptional ESG performance are given preference

Routine Auditing and Violation Resolution

- ▶ Each department or subsidiary must conduct annual evaluations of suppliers and intermediary agencies based on procurement types, needs, and usage scenarios. The assessment results serve as the basis for maintaining collaborative relationships

Supplier Communication

- ▶ We utilize communication channels such as email and phone to promptly address and respond to the reasonable requests of suppliers and intermediary agencies, thereby fostering close and amicable collaborative relationships

We place a strong emphasis on ESG risk management within our supply chain, integrating ESG risks throughout the entire supplier assessment and management process. Factors such as quality safety, integrity, and other ESG considerations are pivotal components included in our risk assessments. Should suppliers or intermediary agencies fall short of meeting our ESG requirements, corrective actions will be requested. Throughout the reporting period, all of our suppliers have complied with our supplier requirements, with no significant adverse ESG impacts noted.

Number of Suppliers



Total Number of Suppliers

695



Suppliers from Mainland China

644



Suppliers from Hong Kong, Macau and Taiwan, China

33



Suppliers from Overseas Regions

18

People-Oriented Approach

SDHG regards human capital as a critical strategic asset for our sustainable development. By implementing diverse and equitable employment policies, a scientifically robust training system, competitive incentive measures, and a healthy, welcoming work environment, we safeguard employees' fundamental rights, enhance their cohesion, and establish a solid talent foundation for the Company's sustainable growth.

UNSDGs



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Diverse Employment

In compliance with pertinent laws and regulations such as the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Employment Ordinance* of Hong Kong, and the *Employment Act* of Singapore, the Company has devised the *Recruitment Management System*. This system ensures that our recruitment and employment practices adhere to regulatory requirements and effectively protect employees' rights, fostering a mutually beneficial environment for both employees and the Company.

We strictly comply with the *Labor Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of Minors*, and the *Provisions on the Prohibition of Using Child Labor*. This commitment includes eliminating illegal practices of forced labor and child labor, thereby safeguarding the legitimate rights and interests of our employees. During the employee onboarding process, we conduct thorough identity verifications to ensure compliance with legal working age and eligibility requirements. Labor contracts are signed following the principles of equality and voluntarism to prevent the use of child labor and forced labor. In the event of any instances involving the employment of child labor or forced labor, we conduct comprehensive investigations and hold individuals accountable in accordance with legal regulations and internal policies by implementing appropriate disciplinary measures. In the fiscal year 2023, the Company had no violations involving forced labor or the employment of child labor.

We are dedicated to fostering an equitable, diverse, inclusive, and non-discriminatory work environment for all our employees. Throughout every stage, from recruitment and onboarding to training, promotion, and rewards, we actively eliminate any form of discrimination based on gender, age, marital and reproductive status, ethnicity, race, religious beliefs, appearance, and disabilities. We ensure equal employment opportunities for female employees and strictly prohibit behaviors such as harassment, bullying, threats, intimidation, and abuse, thereby nurturing a welcoming and harmonious workplace atmosphere.

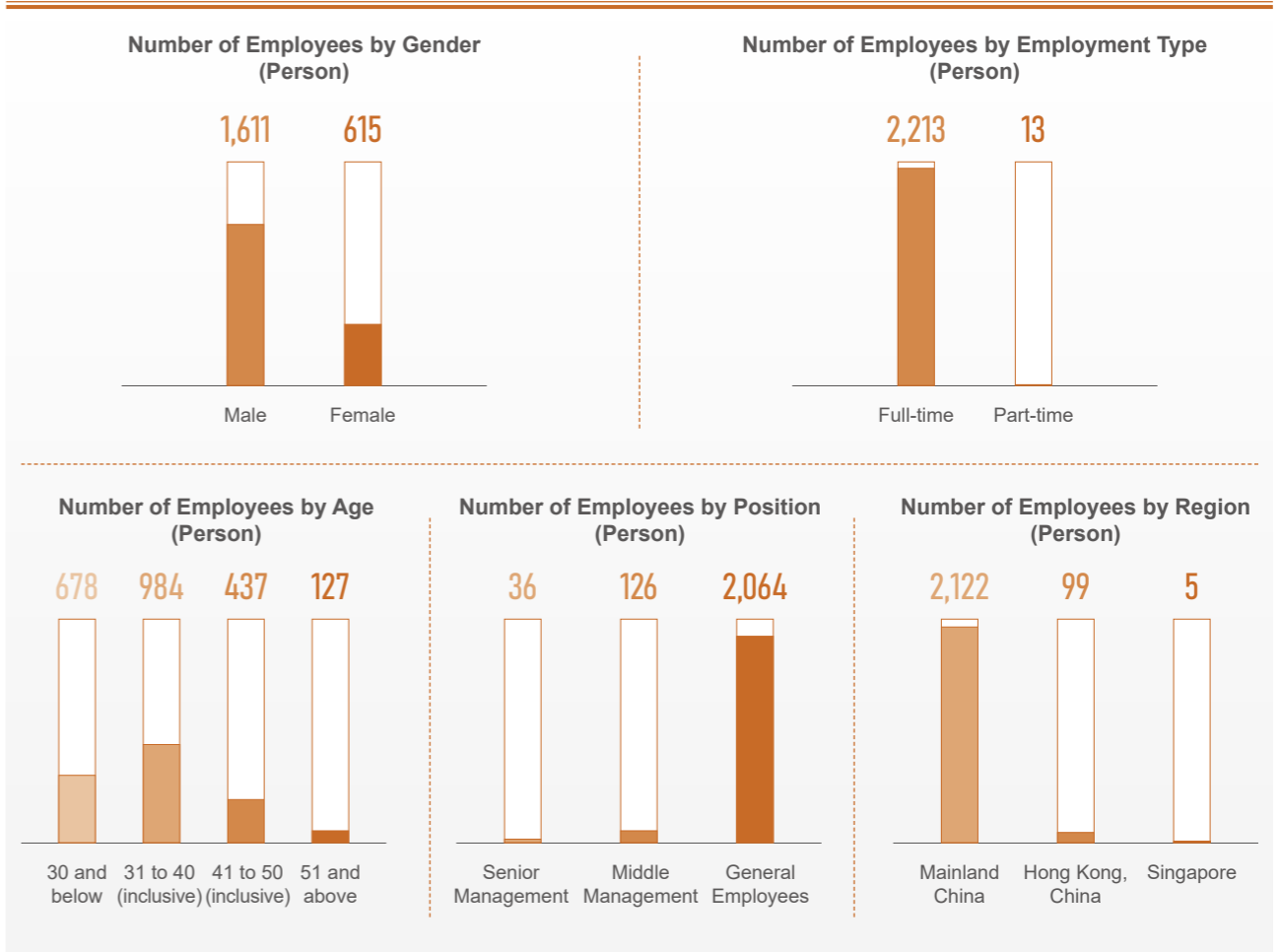
In our *Recruitment Management System*, we explicitly commit to equal employment and diverse recruitment practices. Job descriptions are carefully crafted to be free from discriminatory or biased language, ensuring that all employees have access to equal opportunities. We take "open recruitment, equal competition, selection of candidates according to their positions, selection of the best candidates, internal first, then external, and the best use of talents merit-based selection" as the principle of appointment, and adopt a market-oriented approach to selection and employment. We establish a robust recruitment process, regularly assess job requirements, and develop recruitment plans. Utilizing various channels such as campus recruitment, headhunter recommendations, and internal referrals, we swiftly identify and introduce high-potential core talents, thereby infusing vitality into the Company's development.



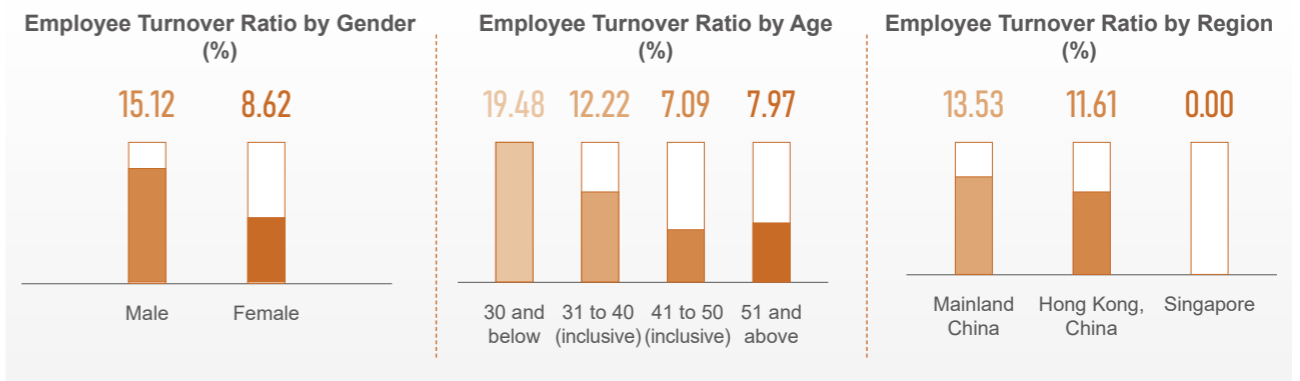
Talent Composition and Turnover Rate³



In 2023, the Number of Employees was **2,226**



the number of Employee Turnover was **345** the Employee Turnover Ratio was **13.50%**



³ Data on talent composition and turnover rate include the information from SDHG and SHNE.

Health and Safety

Ensuring the health and safety of employees is a critical priority for SDHG. We strictly adhere to the relevant laws and regulations at our operating sites, such as the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* in Mainland China, the *Occupational Safety and Health Ordinance* of Hong Kong, and the *Office Safety and Health Act* of Singapore. Furthermore, we have established specific regulations to address potential workplace emergencies, outbreaks, fire incidents, and other safety events. We strengthen the development and implementation of internal emergency response mechanisms and implement various health and safety measures to enhance overall safety awareness and ensure the well-being of all employees throughout their employment journey. During 2023 and the last two years, the Company has had no work-related fatal accidents.

Health and Safety Regulations and Practices

Code of Conduct	<ul style="list-style-type: none"> Formulate the <i>Office Safety Regulation</i>, outlining the potential hazards in the office environment and reminding employees to prioritize safety at all times Establish emergency response regulations to safeguard the fundamental safety of employees Develop work guidelines for inclement weather to outline work arrangements for employees during adverse weather conditions and ensure the safety of all employees during their commute to and from work Publish the <i>Employee Epidemic Prevention and Health Guidelines</i> to safeguard the health of employees
Occupational Health Protection	<ul style="list-style-type: none"> Supply employees with medical resources, including medications and first aid supplies Conduct routine disinfection of critical areas within the office premises Enhance indoor air quality by installing air purifiers in offices
Safety Training	<ul style="list-style-type: none"> Conduct fire safety training to enhance employees' awareness of crisis response
Monitoring Employee Health	<ul style="list-style-type: none"> Provide employees with annual health check-ups
Extreme Weather Response	<ul style="list-style-type: none"> In light of common extreme weather conditions such as typhoons and heavy rain at office locations, make appropriate adjustments to employee work arrangements, including remote work or returning to the workplace, based on the actual situation of typhoon signals and the issuance of black, yellow, or red rainstorm warnings.

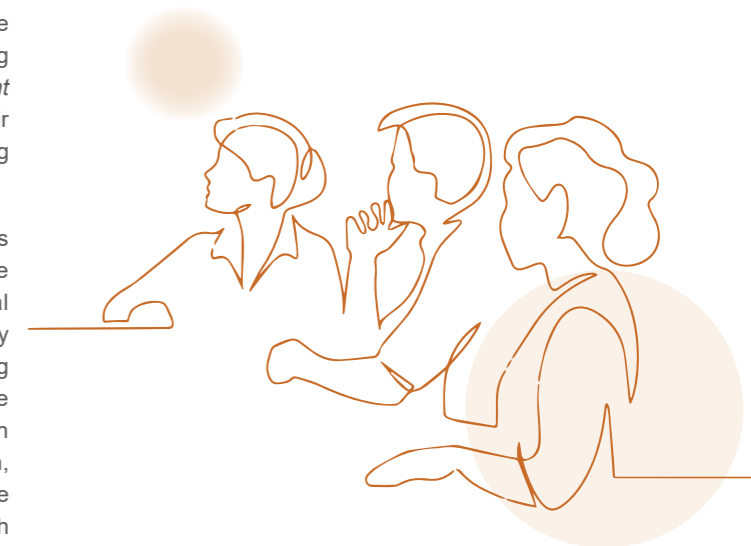
Indicators	Unit	2021	2022	2023
Fatalities Due to Work Injuries	Person	0	0	0
Workdays Lost Due to Work Injuries	Day	182	0	0



Talent Development

Training

We recognize the crucial role of talent in driving the Company's development and have placed a strong emphasis on talent cultivation and development. We continuously refine our talent training management mechanism, strictly adhering to internal regulations such as the *Staff Training Management Regulations (Trial)*, and support employees in enhancing their personal value from various perspectives, thereby facilitating significant progress in their career development.

To address the training needs of employees at various positions and levels, we have established a comprehensive training system that integrates both internal and external resources. Aligned with the Company's growth trajectory and departmental requirements, we develop annual training strategies and plans. These initiatives clearly delineate the distribution of training management responsibilities within each department, outline the methods for training implementation, and specify the assessment criteria post-training. We are committed to refining our training system to support both corporate development and employee progression, fostering the holistic development of employees and the organization. In 2023, 1,903 full-time employees at SDHG participated in training sessions, totalling 37,814 hours.



	The number of trained employees was		The number of training hours was
	1,903 persons		37,814 hours

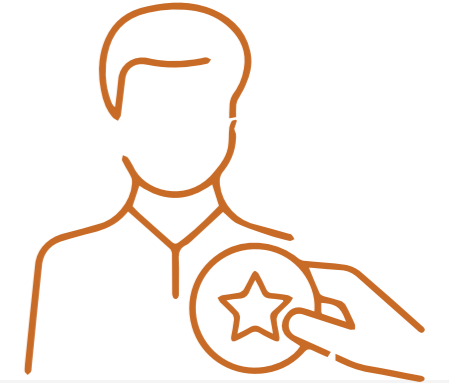
Training Content



Promotion

We place a high value on the professional growth and advancement of our employees by establishing a dynamic and efficient talent development and promotion system. We have developed and implemented the *Ranking System Management Regulations of Shandong Hi-Speed Holdings Group Limited*, which establishes a robust promotion mechanism and internal job rotation system to sustain organizational vitality and enhance talent mobility.

We provides equal, standardized and transparent promotion opportunities for employees through a dynamic and efficient job management system. Employee job levels are determined and adjusted based on an assessment of their personal value, considering performance, capability, and experience as key evaluation criteria. The job levels are structured into nine tiers aligned with the Company's organizational structure. Through the establishment of logical job level divisions and promotion pathways, we have created a robust system for talent value assessment.



Employee Training⁴

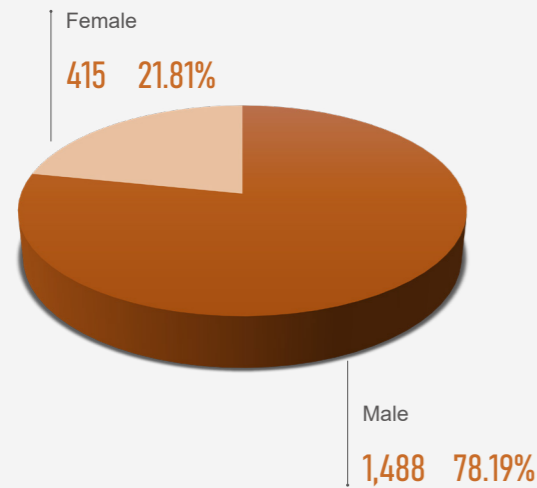


In 2023, the total Number of Trained Employees was **1,903** persons

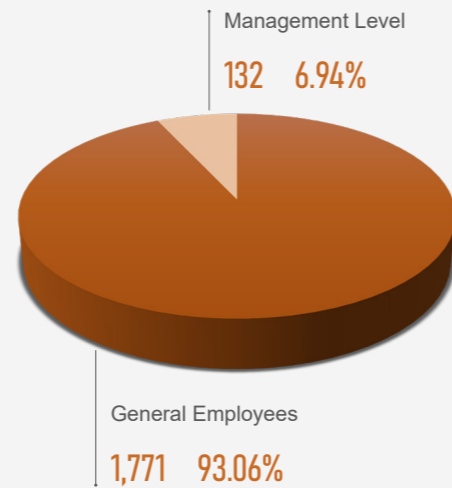


Average Training Hours per Employee **16.99** hours

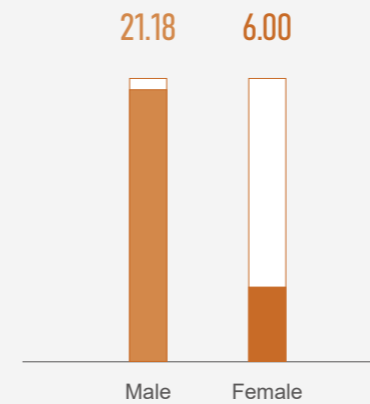
Number and percentage of Trained Employees by Gender



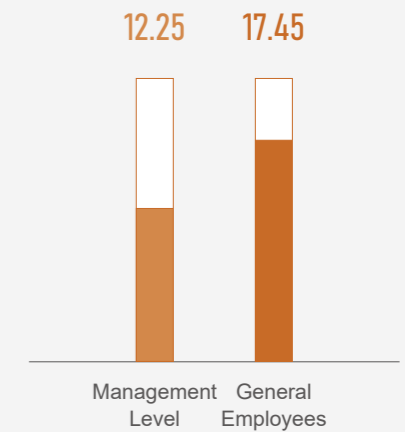
Number and percentage of Trained Employees by Position



Average Training Hours by Gender (Hour)



Average Training Hours by Position (Hour)



⁴ Employee training data includes the information from SDHG and SHNE.

Employee Care

We consistently enhance the remuneration performance and performance management systems, expanding the scope of employee benefits while ensuring the protection of employees' fundamental rights. Additionally, we actively engage in employee communication to comprehensively enhance employees' sense of happiness and belonging.

Remuneration Performance

In maintaining an exceptional talent pool, we are committed to implementing a fair, comprehensive, and competitive remuneration and benefits system. In compliance with the *Labor Law of the People's Republic of China* and the Hong Kong's *Employment Ordinance*, among other legal regulations, we have developed the *Remuneration Management System* based on the principles of a "scientific and rationalized remuneration system mechanism and the confidentiality of employees' personal remuneration information" to uphold employees' statutory rights.

We adhere to a values-driven approach, considering job content and talent market conditions to establish the Company's remuneration philosophy, remuneration structure, remuneration range, employee remuneration determination, remuneration adjustment management, and remuneration management discipline. This ensures that employees receive competitive remuneration and benefits. To acknowledge outstanding contributions to the Company's operations, we provide rewards and incentives through our stock option plan, encouraging long-term material rewards to motivate employees to achieve enduring accomplishments. Moreover, we adhere to the principle of fair distribution based on work, enforcing equal pay for equal work for all employees regardless of gender, and strictly prohibiting any form of discriminatory practices in remuneration.

In our commitment to ensuring the objectivity and fairness of employee performance evaluations, we have devised and implemented the *Performance Appraisal Management Regulation*. This regulation allows us to continuously enhance our human resources management and service capabilities. Customized to meet the specific needs of our Company, we refine the existing performance evaluation and incentive mechanisms, conducting regular assessments for all employees. By aligning employee performance with incentives, we determine performance levels based on evaluation results and implement corresponding incentives to fully motivate employees and drive sustainable development for the Company.

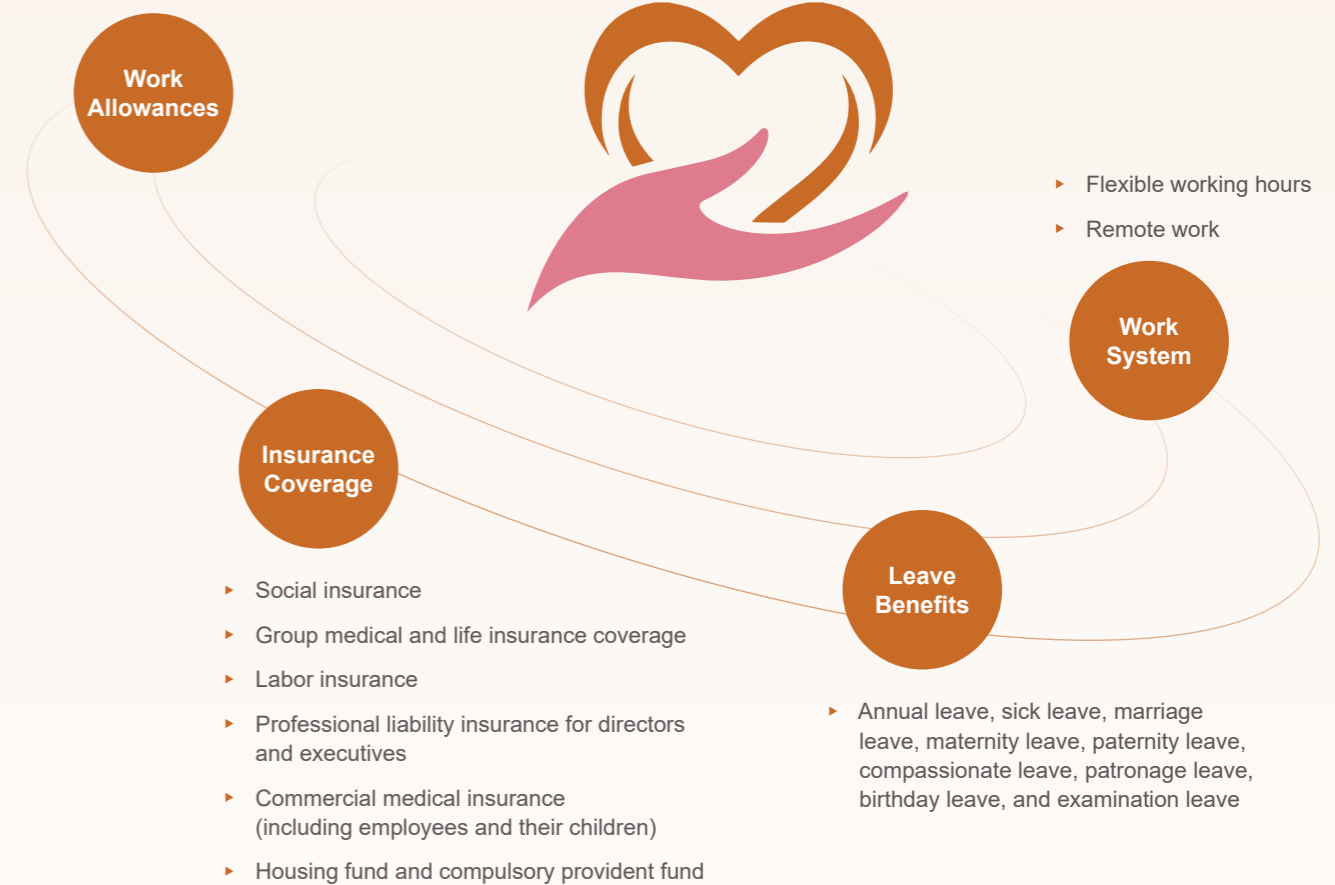
Welfare and Care

We strictly adhere to the regulations outlined in the *Employee Handbook* and the *Attendance, Leave, and Business Trip Management System*. In addition to the base remuneration, we provide a diverse range of welfare benefits to all employees. On the basis of the basic remuneration, we provide all employees with a variety of welfare content, focusing on insurance protection, vacation benefits, work system, and equity incentives. In addition, we make clear provisions for working hours, rest days, holidays and vacation arrangements to take care of the physical and mental health of our employees.

We actively enhance our employee welfare policies by offering benefits beyond remuneration that encompass various aspects of employees' work and life. This approach fosters a sense of belonging, enthusiasm for work, and increased employee loyalty. This has effectively strengthened team cohesion and the Company's competitiveness. Additionally, we adhere to the relevant provisions in the *Attendance, Leave, and Business Trip Management System* to offer employees various types of holiday arrangements, ensuring they achieve a work-life balance.

Employee Benefits

- ▶ Provide reimbursement for transportation expenses incurred during overtime work and compensatory time off for employees who work beyond regular hours



Employee Communication

We prioritize communication and engagement with our employees, continually expanding communication channels to listen to their feedback and promptly address their opinions and requests. Through various communication avenues, we establish a robust feedback mechanism and implement a reporting system. A complaint, appeal, and reporting procedure has been put in place to effectively protect employees' rights. Employees are encouraged to provide feedback on issues encountered in their roles and submit reports or appeals following the established procedures. The internal Audit Department leads investigations in collaboration with relevant departments to address and respond to raised concerns.

Environmental Stewardship

SDHG is firmly committed to an environmentally friendly and sustainable development approach. We methodically implement green and low-carbon operations and energy-saving initiatives. We proactively identify and mitigate climate change risks, actively supporting the attainment of the "dual carbon" objectives through tangible actions. We harness corporate endeavors to foster a harmonious coexistence between humanity and nature.

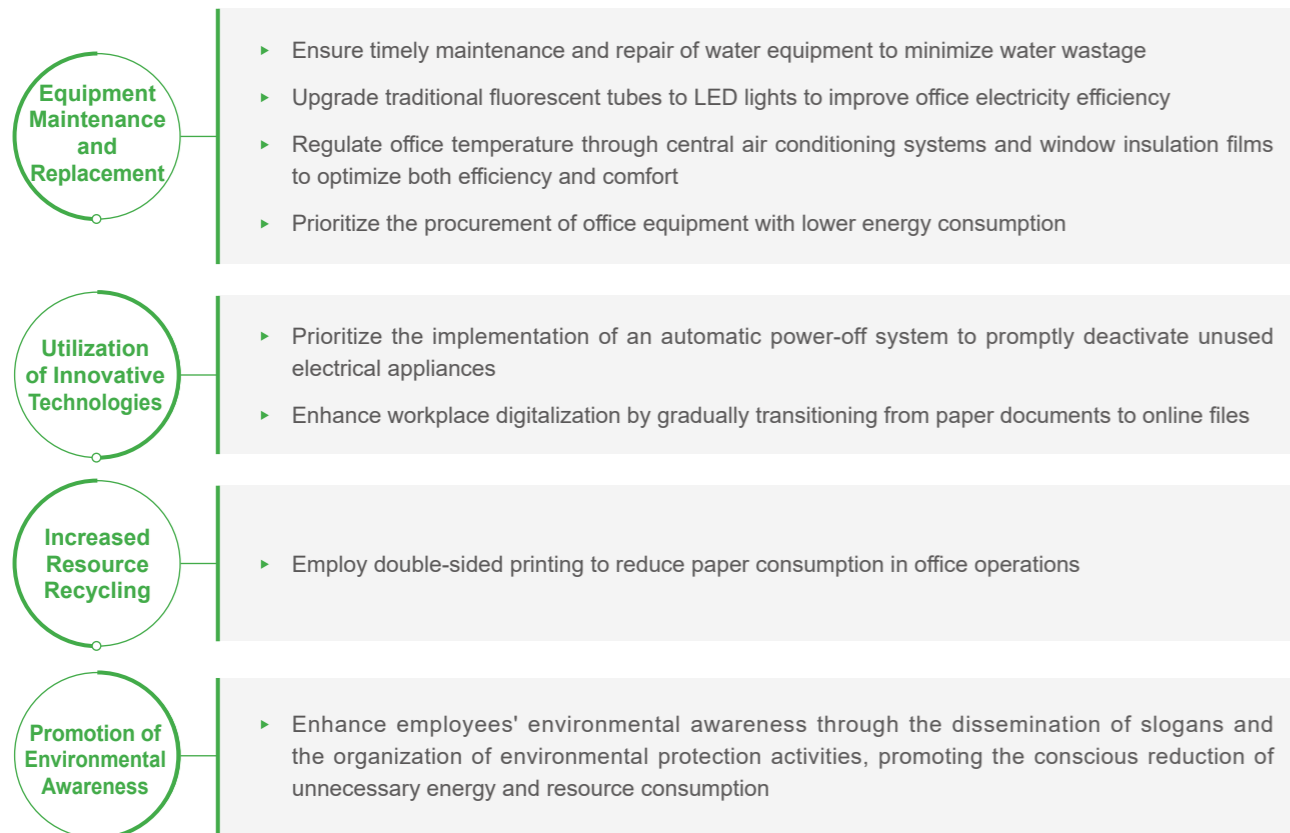
UNSDGs



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Resource Conservation

In compliance with applicable laws and regulations, as well as internal policies like the *Environmental and Community Investment System of Shandong Hi-Speed Holdings Group Limited*, we actively reduce energy consumption through practices such as equipment maintenance and replacement, utilization of innovative technologies, promotion of environmental awareness, and increased resource recycling, maximize resource conservation and minimize negative impact on the environment. These actions represent our concrete strides toward realizing the "dual carbon" goals and reaffirming our dedication to sustainable development. The Group's main direct resource consumption comes from offices and the new energy businesses of subsidiaries. During the reporting period, the Group did not have any issue in obtaining suitable water.



Since SDHG's strategic investment in VNET in 2023, both entities have been collaborating closely to establish a low-carbon, efficient, and secure clean energy system. This partnership aims to propel the integration of data centers, cloud computing, and big data into a new computing power network system. VNET is dedicated to leading the data center industry towards efficient, low-carbon, intensive, and circular green development. Through the implementation of a "4C" pathway towards carbon neutrality, it continually explores carbon reduction throughout the lifecycle of data centers. By harnessing renewable energy transformation, energy-saving technologies, and empowering the industrial chain, VNET prioritizes energy transition to drive the circular economy, persistently striving to achieve its carbon neutrality goals.

Our subsidiary company, SHNE, places significant emphasis on environmental resource protection. It is committed to achieving "annual energy saving and consumption reduction target of approximately 2% compared to the previous year" and "annual reduction in water consumption of 3%-5% compared to the previous year" consumption reduction targets. We conduct regular environmental training and cultural promotion initiatives for all employees to deepen their understanding of energy conservation, waste reduction, and proper solid and hazardous waste management. This endeavor aims to instill a strong environmental conservation ethos within the organization. Moreover, leveraging its technical expertise and experience in the new energy sector, SHNE collaborates with VNET to promote the investment and development of wind and solar power projects in Qinghai, Inner Mongolia, and other areas, as well as the green power application in data centers. The partnership leverages the synergy of "electricity + computing power." By advocating for a clean and sustainable energy system and exploring avenues for energy conservation and green development, SHNE actively contributes to regional economic growth and environmental protection.

Emission Management

We prioritize the reduction of wastewater, waste gas, and waste emissions. We uphold the position of complying with the emission requirements and follow the guidelines of the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, the *Law of the People's Republic of China on the Prevention and Control of Air Pollution* and the *Law of the People's Republic of China on the Prevention and Control of Water Pollution*, and promote green commuting among employees and focus on implementing waste classification, recycling, and disposal practices to minimize the adverse environmental impacts of our operations to the fullest extent possible. The Group's main direct impacts on the environment come from offices and the new energy businesses of subsidiaries. At present, considering that hazardous and non-hazardous waste have limited impact on the Group, we are still setting targets for hazardous and non-hazardous waste management, and we will continue to conduct reviews and audits when appropriate, and will disclose more information in the future as appropriate. SHNE, a subsidiary of SDHG, is strengthening waste data management in accordance with policy requirements and industry development to promote target setting.



Our subsidiary company, SHNE, integrates its actual operational conditions to continually improve the environmental management system and related regulations during the operational phase. It aligns environmental performance with project managers' performance to ensure that each operational project conducts standardized management of dust, noise, wastewater, waste gas, and waste emissions. SHNE actively responds to the national dual-carbon target. For identified climate change risks, SHNE coordinates the development of emission reduction plans and is dedicated to achieving carbon neutrality at the operational level by 2060.

Climate Change

Climate change has become a global challenge requiring immediate action to mitigate its impact. Building upon national "dual carbon" requirements, recommendations from the Task Force on Climate-related Financial Disclosures (TCFD), and the *International Financial Reporting Sustainability Disclosure Standard No. 2 – Climate-related Disclosures* issued by the International Sustainability Standards Board (ISSB), we concentrate on governance, strategy, risk management, metrics, and targets to comprehensively tackle climate change. This ongoing initiative aims to strengthen the Company's resilience to climate change risks.

Governance



Aligned with internal protocols like the *Environmental and Community Investment System of Shandong Hi-Speed Holdings Group Limited*, we have established and continually enhanced the internal climate risk management structure. Through comprehensive oversight, we assess the impacts of climate change-related issues on the Company's business and operations. This strategic approach supports the systematic implementation of responses to climate change risks and opportunities, as well as the disclosure of climate change-related information.

We will integrate the management of climate change, a material ESG topic, into the Company's ESG governance structure. The Board of Directors will serve as the highest decision-making body for climate change matters, with oversight and evaluation of the implementation of climate change-related topics assigned to the Executive Committee and the ESG Taskforce. Headquarters departments and subsidiaries' departments will act as executing entities, systematically advancing various measures to address climate change.

Strategy



We place significant emphasis on understanding the potential impact of climate change on corporate development and are committed to seamlessly integrating ESG factors into corporate investment decisions. Adhering to national and industry requirements, as well as considering industry characteristics and the current year's operational conditions, we consistently enhance the *Credit Risk Management Measures of Shandong Hi-Speed Holdings Group Limited*. Furthermore, with a focus on green investments, we conduct a comprehensive evaluation of counterparties, investment projects, industries, and issues related to climate change to establish a list of negative and restricted projects. This approach effectively mitigates the potential impact of climate change on our business.

Climate Risks and Opportunities



We have a profound understanding of how climate change affects our sustainable development. Guided by national laws and regulations and listed company rules, we focus on the two dimensions of physical risks and transformation risks, and conduct regular climate risk identification, analysis, and assessment to effectively address the opportunities and challenges presented by climate change.

Climate Change Risk List

Types	Risk Name	Risk Description	Response Measures
Physical Risks	Acute Risks	Intense extreme weather events such as typhoons, floods, heavy rainfall, and heatwaves may cause disruptions in production and operations, as well as pose risks to the safety of employees and company assets	<ul style="list-style-type: none"> The Company diligently tracks climate change patterns, develops and consistently enhances emergency plans for extreme weather risks, and minimizes potential property losses by implementing flexible work arrangements during severe weather conditions and conducting routine inspections of office protective facilities
	Chronic Risks	Chronic risks such as increasing temperatures and rising sea levels may gradually affect the Company's operations	<ul style="list-style-type: none"> Integrate climate risks into the Company's comprehensive risk management and investment decisions, and implement various measures to enhance energy and resource efficiency in the workplace
Transition Risks	Policy Transition	Increased national and industry requirements for corporate carbon emissions may result in higher management costs	<ul style="list-style-type: none"> The Company actively engages with the "dual carbon" strategy, closely monitors market trends related to climate change, and diligently adheres to learning and compliance with laws and regulations pertaining to climate change
	Technological Transition	Driven by national policies, the Company continues to advance low-carbon transformation and technological innovation, which may incur costs related to innovation	<ul style="list-style-type: none"> Propelled by innovation, the Company has established strategic partnerships with third-party enterprises like Shanghai Chengtuo Environment (Group) Co., Ltd. for carbon asset trading and energy conservation and emission reduction. Leveraging this collaboration, the Company is furthering its internal energy-saving technology upgrades and equipment maintenance efforts
	Stakeholder Concern	Capital markets and stakeholders are increasingly interested in ESG performance. Failing to actively address these demands may result in the loss of investors or stakeholders, thereby negatively impacting the Company	<ul style="list-style-type: none"> The Company actively communicates and engages with various stakeholders on climate change issues, ensures high-quality information disclosure, and enhances its corporate image

Indicators and Objectives



We actively promote low-carbon development within the Company through practical measures, steadily advancing energy-saving and emission-reduction targets. Our subsidiary company, SHNE, draws insights from national and industry regulations and policies, continuously enhancing carbon asset and carbon quota management. We effectively conduct carbon footprint verification and are firmly committed to achieving our carbon emission reduction goals.

Key Environmental Indicators⁵

Key Performance Indicators	Unit	Data for 2023	
Waste Gas Emissions	Sulphur Oxides (SO _x)	Kilogram	172,324.39
	Nitrogen Oxides (NO _x)	Kilogram	63,003.74
	Suspended Particulates (PM)	Kilogram	26.36
Major Wastewater Discharges	Total Domestic Sewage Discharge	Tonne	340.00
	Total Discharge of Other Wastewater	Tonne	58,882.20
Hazardous Waste	Used Batteries	Kilogram	8.36
	Waste Ink Cartridges	Kilogram	344.00
	Discarded Light Bulbs/Light Tubes	Kilogram	70.50
	Total Hazardous Waste	Kilogram	422.86
	Hazardous Waste Density	Kilogram/Revenue (HKD million)	0.04
Non-Hazardous Waste	Paper Consumption	Tonne	1.44
	General Household Waste	Tonne	246.81
	Waste Plastic Bottles	Tonne	0.37
	Other Non-Hazardous Waste	Tonne	58,632.00
	Total Non-Hazardous Waste	Tonne	58,880.19
	Total Non-Hazardous Waste Density	Tonne/Revenue (HKD million)	5.61

Key Performance Indicators	Unit	Data for 2023	
Energy Consumption	Gasoline Consumption	kWh	2,112,749.67
	Other Direct Energy Consumption	kWh	1,347,365,050.00
	Direct Energy Consumption	kWh	1,349,477,799.67
	Direct Energy Consumption Density	MWh/Revenue (HKD million)	128.62
	Purchased Electricity	kWh	69,817,315.44
	Other Indirect Energy Consumption	kWh	1,451,427,190.00
	Indirect Energy Consumption	kWh	1,521,244,505.44
	Indirect Energy Consumption Density	MWh/Revenue (HKD million)	144.99
	Comprehensive Energy Consumption	kWh	2,870,722,305.11
	Comprehensive Energy Consumption Density	MWh/Revenue (HKD million)	273.61
Water Consumption	Water Consumption	Tonne	967,121.88
	Total Water Intensity	Tonne/Revenue (HKD million)	92.18
Greenhouse Gas Emissions ⁶	Scope 1 Greenhouse Gas Emissions	Tonne of Carbon Dioxide Equivalent	367,109.44
	Scope 2 Greenhouse Gas Emissions	Tonne of Carbon Dioxide Equivalent	393,334.93
	Total Greenhouse Gas Emissions	Tonne of Carbon Dioxide Equivalent	760,444.37
	Greenhouse Gas Emission Density	Tonne of Carbon Dioxide Equivalent/Revenue (HKD million)	72.48



⁵ All density data in the key environmental indicators are calculated based on the 2023 revenue of HK\$5.529 billion from the group entity of Shandong Hi-Speed Holdings Group Limited and the 2023 revenue of HK\$4.963 billion from Shandong Hi-Speed New Energy Group Limited.

⁶ The calculation of Scope 1 GHG emissions is based on the *Guidelines on Greenhouse Gas Emission Accounting Methodology and Reporting for Other Industrial Enterprises*, and is derived from the conversion of petrol, diesel and natural gas, coal and LPG usage. In Scope 2, the greenhouse gas emissions include electricity consumption and purchased hot water, of which the emission factor for purchased electricity is calculated with reference to the Notice on the *Management of Greenhouse Gas Emission Reporting for Enterprises in the Power Generation Industry for the Period of 2023-2025* issued by the Ministry of Ecology and Environment of the People's Republic of China on 7 February 2023, and the emission factor for purchased hot water is calculated with reference to the *Guidelines on Accounting Methods and Reporting of Greenhouse Gas Emissions for Power Generation Enterprises*. Purchased hot water and conversion based on the *Guidelines for Corporate Greenhouse Gas Emission Accounting Methods and Reporting for Power Generation Facilities (Revised Version 2022)*.

Giving Back to Society

As the Executive President Unit of the Hong Kong Chinese Enterprises Association's Shandong Branch, we actively fulfill our social responsibilities by engaging in and organizing various association activities. We facilitate business exchanges, actively participate in social welfare activities, and bear social responsibilities. We establish a strong corporate brand in the Hong Kong market and contribute to the sustainable development of society through our efforts.

UNSDGs



Community Investment

43

Community Investment

We recognize the importance of contributing to society throughout our business development process, consistently embodying the ethos of "taking from society and giving back to society." As a responsible corporate citizen, we actively fulfill our corporate social responsibility by addressing community needs and making meaningful contributions while expanding our business.

To ensure effective community engagement, we have established a *Community Investment Policy* which can help us to assess community needs, identify key areas, and allocate resources effectively to empower the community and address specific local needs. We actively support the community through various initiatives, encourage employee participation in volunteer activities, and contribute with care and compassion.

Our significant subsidiary, SHNE, is actively involved in social welfare initiatives, including rural poverty alleviation, disaster relief, and volunteer services. In 2023, the Wanyang Photovoltaic Power Station in Xingtai, Hebei, responded to the Group and local government's call by outsourcing grass removal and component cleaning tasks to a local enterprise that is qualified and provides income opportunities for villagers. The power station allocated approximately RMB 600,000 throughout the year to support local poverty alleviation efforts. Additionally, SHNE in the Northwest region launched a voluntary tree-planting campaign under the theme "Planting Trees and Greening the Land, Planting Flowers and Grass to Beautify the Mountains and Rivers," aiming to promote regional greening projects and raise ecological awareness.



During the reporting period, SDHG engaged in a variety of charitable donations, totalling⁷ RMB

14.99 million

⁷ This figure includes public welfare donations of RMB 80,000 and other community investment projects that can be capitalized.

Appendix I:

Content Index of the Hong Kong Stock Exchange's "Environmental, Social and Governance Reporting Guide"

Environmental, Social and Governance Areas and General Disclosures and Key Performance Indicators (KPIs)			Section Index
Environmental			
A1: Emissions	General Disclosures	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: Air emissions include NO _x , SO _x , and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.	Resource Conservation/ Emission Management/ Climate Change
	A1.1	The types of emissions and respective emissions data.	Climate Change
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Climate Change
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Climate Change
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Climate Change
	A1.5	Description of emissions target(s) set and steps taken to achieve them.	Emission Management
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Emission Management
A2: Use of Resources	General Disclosures	Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	Resource Conservation
	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).	Climate Change
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Climate Change
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Resource Conservation
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Resource Conservation
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	/

Environmental, Social and Governance Areas and General Disclosures and Key Performance Indicators (KPIs)			Section Index
A3: The Environment and Natural Resources	General Disclosures	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	Resource Conservation
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Resource Conservation
A4: Climate Change	General Disclosures	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Resource Conservation/ Emission Management/ Climate Change
	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Resource Conservation/ Emission Management/ Climate Change
Social			
B1: Employment	General Disclosures	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.	Diverse Employment
	B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	Diverse Employment
	B1.2	Employee turnover rate by gender, age group and geographical region.	Diverse Employment
B2: Health and Safety	General Disclosures	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.	Health and Safety
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and Safety
	B2.2	Lost days due to work injury	Health and Safety
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety
B3: Development and Training	General Disclosures	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	Talent Development
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Talent Development
	B3.2	The average training hours completed per employee by gender and employee category.	Talent Development
B4: Labour Standards	General Disclosures	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Diverse Employment
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	Diverse Employment
	B4.2	Description of steps taken to eliminate such practices when discovered.	Diverse Employment

Environmental, Social and Governance Areas and General Disclosures and Key Performance Indicators (KPIs)			Section Index
B5: Supply Chain Management	General Disclosures	Policies on managing environmental and social risks of the supply chain.	Partnership Relations
	B5.1	Number of suppliers by geographical region.	Partnership Relations
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Partnership Relations
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Partnership Relations
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Partnership Relations
B6: Product Responsibility	General Disclosures	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.	Responsible Investment
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	/
	B6.2	Number of products and service related complaints received and how they are dealt with.	Responsible Investment
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Protection of Rights and Interests
	B6.4	Description of quality assurance process and recall procedures.	/
	B6.5	Description of consumer data protection and privacy policies and how they are implemented and monitored.	Protection of Rights and Interests
B7: Anti-corruption	General Disclosures	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.	Business Ethics
	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.	Business Ethics
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Business Ethics
	B7.3	Description of anti-corruption training provided to directors and staff.	Business Ethics
B8: Community Investment	General Disclosures	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.	Community Investment
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment
	B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investment

Appendix II:

Global Reporting Initiative (GRI) Content Index

Statement of use	SDHG has reported the information cited in this GRI content index from January 1, 2023, to December 31, 2023 with reference to the GRI Standards
GRI 1 used	GRI 1: Foundation 2021

Disclosure Issues/ Disclosure Items	Disclosure Item Title	Section Index
GRI 2: General Disclosures 2021		About the Report
The organization and its reporting practices		
2-1	Organizational details	About SDHG
2-2	Entities included in the organization's sustainability reporting	About SDHG
2-3	Reporting period, frequency and contact point	About SDHG
2-4	Restatements of information	About the Report
Activities and workers		
2-6	Activities, value chain and other business relationships	ESG Governance
2-7	Employees	Employee Care
2-8	Workers who are not employees	Partnership Relations
Governance		
2-9	Governance structure and composition	ESG Governance / Risk Management
2-12	Role of the highest governance body in overseeing the management of impacts	ESG Governance / Risk Management
2-13	Delegation of responsibility for managing impacts	ESG Governance / Risk Management
2-14	Role of the highest governance body in sustainability reporting	ESG Governance
2-15	Conflicts of interest	ESG Governance / Risk Management

Disclosure Issues/ Disclosure Items	Disclosure Item Title	Section Index
2-16	Communication of critical concerns	ESG Governance
2-17	Collective knowledge of the highest governance body	ESG Governance
2-18	Evaluation of the performance of the highest governance body	ESG Governance
2-19	Remuneration policies	Employee Care
2-20	Process to determine remuneration	Employee Care
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	Board Statement
2-23	Policy commitments	ESG Governance
2-24	Embedding policy commitments	ESG Governance
2-25	Processes to remediate negative impacts	ESG Governance
2-26	Mechanisms for seeking advice and raising concerns	ESG Governance
2-27	Compliance with laws and regulations	ESG Governance
2-28	Membership associations	About SDHG
2-29	Approach to stakeholder engagement	ESG Governance
2-30	Collective bargaining agreements	Employee Care
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	ESG Governance
3-2	List of material topics	ESG Governance
Economic		
GRI 201: Economic Performance		
3-3	Management of material topics	ESG Governance
201-2	Financial implications and other risks and opportunities due to climate change	Climate Change
201-3	Defined benefit plan obligations and other retirement plans	Employee Care
GRI 204: Procurement Practices		

Disclosure Issues/ Disclosure Items	Disclosure Item Title	Section Index
3-3	Management of material topics	Partnership Relations
GRI 205: Anti-corruption		
3-3	Management of material topics	Business Ethics
205-1	Operations assessed for risks related to corruption	Business Ethics
205-2	Communication and training about anti-corruption policies and procedures	Business Ethics
205-3	Confirmed incidents of corruption and actions taken	Business Ethics
GRI 206: Anti-competitive Behavior		
3-3	Management of material topics	Business Ethics
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business Ethics
Environmental		
GRI 302: Energy		
3-3	Management of material topics	Resource Conservation
302-1	Energy consumption within the organization	Resource Conservation
302-3	Energy intensity	Resource Conservation
302-4	Reduction of energy consumption	Resource Conservation
302-5	Reductions in energy requirements of products and services	Resource Conservation
GRI 303: Water Resources		
3-3	Management of material topics	Resource Conservation
303-1	Water withdrawal by source	Resource Conservation
303-2	Water sources significantly affected by withdrawal of water	Resource Conservation
303-3	Water recycled and reused	Resource Conservation
GRI 305: Emissions		
3-3	Management of material topics	Emission Management
305-1	Direct (Scope 1) GHG emissions	Climate Change

Disclosure Issues/ Disclosure Items	Disclosure Item Title	Section Index
305-2	Energy indirect/Scope 2 GHG emissions	Climate Change
305-4	GHG emissions intensity	Climate Change
305-5	Reduction of GHG emissions	Climate Change
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Emission Management
GRI 306: Effluents and Waste		
3-3	Management of material topics	Emission Management
306-1	Total discharge by water quality and discharge destination	Emission Management
306-2	Total waste by category and treatment method	Emission Management
306-3	Major leak	Emission Management
306-4	Hazardous waste transportation	Emission Management
306-5	Water bodies affected by drainage and/or runoff	Emission Management
GRI 308: Supplier Environmental Assessment		
3-3	Management of material topics	Partnership Relations
308-1	New suppliers that were screened using environmental criteria	Partnership Relations
308-2	Negative environmental impacts in the supply chain and actions taken	Partnership Relations
Social		
GRI 401: Employment		
3-3	Management of material topics	Diverse Employment
401-1	New employee hires and employee Turnover	Diverse Employment
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Care
401-3	Parental leave	Employee Care
GRI 402: Labor Management Relations		
3-3	Management of material topics	Diverse Employment

Disclosure Issues/ Disclosure Items	Disclosure Item Title	Section Index
GRI 403: Occupational Health and Safety		
3-3	Management of material topics	Health and Safety
403-1	Occupational health and safety management system	Health and Safety
403-2	Hazard identification, risk assessment, and incident investigation	Health and Safety
403-3	Occupational health services	Health and Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety
GRI 404: Training and Education		
3-3	Management of material topics	Talent Development
404-1	Average hours of training per year per employee	Talent Development
404-2	Programs for upgrading employee skills and transition assistance programs	Talent Development
404-3	Percentage of employees receiving regular performance and career development reviews	Talent Development
GRI 405: Diversity and Equal Opportunity		
3-3	Management of material topics	Diverse Employment
405-1	Diversity of governance bodies and employees	Diverse Employment
GRI 406: Non-discrimination		
3-3	Management of material topics	Diverse Employment
406-1	Incidents of discrimination and corrective actions taken	Diverse Employment
GRI 408: Child Labor		
3-3	Management of material topics	Diverse Employment
GRI 409: Forced or Compulsory Labor		
3-3	Management of material topics	Diverse Employment
GRI 413: Local Communities		
3-3	Management of material topics	Community Investment

Disclosure Issues/ Disclosure Items	Disclosure Item Title	Section Index
413-1	Operations with local community engagement, impact assessments, and development programs	Community Investment
GRI 414: Supplier Social Assessment		
3-3	Management of material topics	Partnership Relation
414-1	New suppliers that were screened using social criteria	Partnership Relation
414-2	Negative social impacts in the supply chain and actions taken	Partnership Relation
GRI 418: Customer Privacy		
3-3	Management of material topics	Protection of Rights and Interests
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Protection of Rights and Interests

Appendix III:

UNSDGs United Nations Sustainable Development Goals

UNSDGs United Nations Sustainable Development Goals	Section Index
 <p>1 NO POVERTY</p> <p>No Poverty</p>	Community Investment
 <p>2 ZERO HUNGER</p> <p>Zero Hunger</p>	Community Investment
 <p>3 GOOD HEALTH AND WELL-BEING</p> <p>Good Health and Well-being</p>	Health and Safety Community Investment
 <p>4 QUALITY EDUCATION</p> <p>Quality Education</p>	Talent Development Community Investment
 <p>5 GENDER EQUALITY</p> <p>Gender Equality</p>	Diverse Employment
 <p>6 CLEAN WATER AND SANITATION</p> <p>Clean Water and Sanitation</p>	Resource Conservation Emission Management
 <p>7 AFFORDABLE AND CLEAN ENERGY</p> <p>Affordable and Clean Energy</p>	Resource Conservation
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p>Decent Work and Economic Growth</p>	Responsible Investment Diverse Employment Employee Care

UNSDGs United Nations Sustainable Development Goals		Section Index
	Industry, Innovation and Infrastructure	Responsible Investment Protection of Rights and Interests
	Reduced Inequalities	Diverse Employment
	Sustainable Cities and Communities	Responsible Investment Community Investment
	Responsible Consumption and Production	Responsible Investment Protection of Rights and Interests
	Climate Action	Climate Change
	Life Below Water	Emission Management Climate Change
	Life on Land	Emission Management
	Peace, Justice and Strong Institutions	ESG Governance Risk Management Business Ethics Responsible Investment
	Partnerships for the Goals	Partnership Relations

Readers' Feedback

Dear readers,

Thank you for reading this report. We greatly value and eagerly anticipate your feedback. Your opinions and suggestions are crucial for us to continuously enhance our ESG information disclosure, ESG management, and practices. Please feel free to share your thoughts by submitting the completed questionnaire via mail, email (after scanning), or fax. Alternatively, you can contact us directly to provide your valuable insights. Thank you!

1. Which type of stakeholder do you belong to at SDHG?

- Employee Customer Partner Government/Regulatory Authority
 Shareholder/Investor Community Others

2. How would you rate this report overall?

- Excellent Good General

3. Has the information you are interested in been sufficiently covered in this report?

- Yes No Average

4. What are your expectations or suggestions for the ESG report we will prepare and publish next year?

- Innovative Report Topics Innovative Structure and Ideas
 Clear Logical Main Thread Expanded Scope of Application of ESG Standards
 More User-Friendly Reading Interface More Approachable Language Style
 Other (Specify Here)

5. Please do not hesitate to provide any opinions or suggestions you may have on our ESG performance and this report.



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