



Capital Environment Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 03989



2025 | Sustainability Report

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ABOUT THIS REPORT

Report Overview

This report is the tenth Sustainability Report (the "Report") of Capital Environment Holdings Limited (the "Company") (stock code: 03989.HK) and together with its subsidiaries ("CEHL," the "Group" or "we"). In order to demonstrate the sustainability process and vision of CEHL to stakeholders, this Report details the policies, measures and performance of the Group's sustainability.

Reporting Boundary

This Report primarily covers the Group's sustainability performance between January 2025 and December 2025 (the "Year"). This Report covers 32 operating projects of CEHL in Mainland China that had been completed and put into operation by 2025 (referred to hereafter as the "Reporting Projects"). Project types mainly include: 1) integrated sanitation services, 2) waste-to-energy ("WtE"), and 3) anaerobic treatment of organic waste.

Due to data access and ownership, the Report does not yet cover associate ventures in which the Group holds a non-controlling interest, projects that are planned to be closed or have been closed, and projects that are in the investment pipeline but not yet officially in operation. Moving forward, the Group will continue to optimize its internal data collection system and further expand the disclosure scope of the report as conditions permit. The 32 key projects are listed in the table below:

No.	Project Type	Project Name	Region
1	Sanitation Integration	The Integrated Project of Municipal Solid Waste Treatment Facilities in Guangchang County, Fuzhou City, Jiangxi Province	East China
2		The Integrated Municipal Solid Waste Treatment Project in Shicheng County, Jiangxi Province	East China
3	Waste-to-Energy	Waste-to-Energy Project in Huizhou City, Guangdong Province	South China
4		Waste-to-Energy Plant in Duyun City, Guizhou Province	Southwest China
5		Waste-to-Energy Plant Project in Pu'er City, Yunnan Province	Southwest China
6		Waste-to-Energy Plant Project in Yutian County, Tangshan City, Hebei Province	North China



ABOUT THIS REPORT

No.	Project Type	Project Name	Region
7	Waste-to-Energy	Waste-to-Energy Project in Shenzhou City, Hebei Province	North China
8		Waste-to-Energy Plant Project in Yongji City, Shanxi Province	North China
9		Waste-to-Energy Plant Project in Nong'an County, Changchun City, Jilin Province	North China
10		Waste-to-Energy Project in Qixian County, Henan Province	Central China
11		Waste-to-Energy Project in Xichuan, Xixia and Neixiang Counties in the South-to-North Water Diversion Catchment Area	Central China
12		Venous Industry Park Project in Lushan County, Henan Province (Waste Incineration Power Generation Project)	Central China
13		Waste-to-Energy Project in Suixian County, Henan Province	Central China
14		Waste-to-Energy Project in Xihua County, Zhoukou City, Henan Province	Central China
15		Waste-to-Energy Project in Zhengyang County, Henan Province	Central China
16		Waste-to-Energy Project in Zhumadian City, Henan Province	Central China
17		Waste-to-Energy Project in Xinxiang, Henan Province	Central China
18		Waste-to-Energy PPP Project in Nanle County, Puyang City, Henan Province	Central China
19		Waste-to-Energy Project in Tanghe County, Nanyang City, Henan Province	Central China
20		Waste-to-Energy Project in Qianjiang City, Hubei Province	Central China
21		Wulingshan Venous Industry Park Project in Jishou City, Xiangxi Prefecture, Hunan Province	Central China



ABOUT THIS REPORT

No.	Project Type	Project Name	Region
22	Waste-to-Energy	Waste-to-Energy Project in Quanling, Nanchang City, Jiangxi Province	East China
23		Waste-to-Energy Project in Gao'an City, Jiangxi Province	East China
24		Waste-to-Energy Project in Ruijin City, Jiangxi Province	East China
25		Waste-to-Energy Project in Duchang County, Jiujiang City, Jiangxi Province	East China
26		Waste-to-Energy Project in Suichuan County, Jiangxi Province	East China
27	Biomass Power Generation	Biomass Power Generation Project, Kaifeng City, Henan Province	Central China
28		Biomass Cogeneration Project in Lushan County, Pingdingshan City, Henan Province	Central China
29	Anaerobic Treatment	Kitchen Waste Anaerobic Treatment Project in Yangzhou, Jiangsu Province	East China
30		Kitchen Waste Anaerobic Treatment Project in Xiaoshan, Hangzhou, Zhejiang Province	East China
31		Capital Environment Kitchen Waste Anaerobic Treatment Project in Ningbo City, Zhejiang Province	East China
32		Kitchen Waste Anaerobic Treatment Project in Hongmiaoling, Fuzhou City, Fujian Province	East China

The data and information disclosed in this Report are determined based on materiality assessment, stakeholder engagement, and the relevant provisions of the ESG Reporting Guide. The scope covers projects within the Group's consolidated financial statements over which the Group has operational control from construction to operation, as well as the sustainability performance of the Group's other business activities.



ABOUT THIS REPORT

Reporting Standards

This Report has been prepared in accordance with the Environmental, Social, and Governance Reporting Code ("ESG Reporting Code") under the Main Board Listing Rules of SEHK. In addition, in order to enhance the level of report disclosure, this Report also refers to the GRI Standards 2021 ("new GRI Standards") issued by the Global Reporting Initiative ("GRI"). A comprehensive index of the ESG Reporting Code is provided in the Appendix of the final chapter, allowing readers to quickly locate information based on the ESG Reporting Code.

Materiality and stakeholder inclusiveness

The Group identifies topics of importance to stakeholders through communication and interaction, inviting them to help determine key material topics in economic, environmental, social and governance aspects, which are then reviewed and confirmed by the Board of Directors (the "Board").

Sustainability context

This Report evaluates performance against broader sustainability goals and considerations, and to the extent possible, considers long-term strategies, risks, opportunities, and targets when discussing material topics.

Completeness

This Report covers topics that were material to stakeholders during the Year and enables them to assess the performance of the Group during the reporting period.

Quantitative

Quantitative data is recorded and calculated in detail in this Report and, where comparable, analyzed against historical performance. To ensure the accuracy of environmental Key Performance Indicators ("KPIs"), we have engaged professional external consultants to conduct carbon emission assessments in accordance with relevant national and international standards. The quantitative data of key social performance indicators in this Report came from the statistical records of relevant departments of the Group and companies of the Reporting Projects.

Accuracy

The Group rigorously maintains the accuracy of the information presented in the Report for stakeholders to assess the Group's performance and indicators.



ABOUT THIS REPORT

Balance	The Group's achievements, challenges, and response strategies in environmental, social and governance aspects for the Year are presented in an accurate, neutral and fair manner.
Clarity	This Report presents key ESG information to stakeholders in a clear, understandable and accessible format.
Consistency and comparability	Where applicable, the Group adheres to consistent statistical methodologies to ensure data comparability for future analytical value. Any changes that may affect comparisons with historical reports are explained in detail in the corresponding sections of this Report. Furthermore, the environmental and social performance data for the Year and their comparative analysis with previous years are presented in detail in Appendix: KPIs Summary.
Verifiability	All information cited in the Report is based on the Group's official internal documents, statistical reports, as well as management and operating data collected in accordance with the Group's policies, and the information is presented clearly to avoid any misleading content.
Timeliness	The Group reports on its ESG performance on a regular basis and specifies the period stated so that stakeholders can obtain relevant information in a timely manner and make informed decisions.

The Group will continue to optimize its data collection mechanisms to achieve more comprehensive disclosure, thereby enhancing the transparency and quality of its reporting.

Reporting, Calculation and Approval

Based on the reporting principles, the Group applies the corresponding standards to the three areas of report preparation, data quantification, and approval. The content and scope of this Report have also been reviewed and approved by the Board. This demonstrates that the Board integrated material topics into strategy formulation, identified main ESG topics, and exercised oversight over their management and monitoring.

Third-Party Assurance

To ensure the authenticity and reliability of this Report, the Company has engaged a third-party agency to provide independent assurance on the key data in the 2025 Sustainability Report.



ABOUT THIS REPORT

BOARD STATEMENT

The Board issues a statement on the following matters in accordance with the relevant provisions set out in Appendix C2 to the Listing Rules. Discussions regarding the Board's oversight of ESG matters are set out in the section headed *Board Oversight of ESG and Climate Change Matters* in this chapter. Discussions on the Board's ESG management approach and strategy, including the process of evaluating, prioritizing and managing material ESG matters (e.g., risks to the Group's business), as well as how the Board reviews progress against ESG targets and explains how they relate to the Group's business, are set out in *Sustainable Operations Management* of this report.

Board Oversight of ESG and Climate Change Matters

The Board assumes full responsibility for the Group's sustainability policies, strategies and performance, and oversees related work, which includes reviewing and approving this Report.

Under the leadership of the Chairman of the Board, the Sustainability Committee formulates, monitors and reviews the Group's sustainability targets, strategies and policies; supervises the Group's performance and effectiveness in implementing ESG frameworks and related measures; identifies, assesses and prioritizes topics related to ESG, climate change and biodiversity that are of greatest concern to our operations and stakeholders; and regularly reports to the Board on relevant matters and provides suggestions for continuous improvement.

During the Reporting Period, the Board received detailed briefings on economic, environmental, social and governance topics, covering relevant risks and opportunities to ensure the effective implementation of the Group's ESG strategy. The Board will continue to manage and monitor ESG matters and take them into account when determining the Group's future business focus and strategies.

Opinions and Feedback

Stakeholders' opinions and feedback help the Group formulate future sustainability strategies and more robust sustainability governance. This Report is available in Traditional Chinese and English, and has been uploaded to the website of The Stock Exchange of Hong Kong Limited ("SEHK") and the Company's website at www.cehl.com.hk for reference at any time. In case of any conflict or inconsistency between the Chinese and English versions, the Traditional Chinese version shall prevail.

The Group welcomes valuable feedback and suggestions from stakeholders and the public regarding the content of this Report, our reporting approach and the Group's ESG performance. You may reach us through the following channels:

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Telephone: (852) 2526 3438

Fax: (852) 2816 0008

Email: esg@cehl.hk



CHAIRMAN'S MESSAGE



Li Qingsong

Chairman

In 2025, against the backdrop of an accelerated socioeconomic transition toward comprehensive green development, we firmly established the conviction that "lucid waters and lush mountains are invaluable assets." Committed to the vision of a "Beautiful China," we promoted coordinated efforts to "cut carbon emissions, reduce pollution, expand green development, and pursue economic growth," building a robust ecological security barrier while enhancing the internal momentum of green development. Focusing on financial indicators, market expansion, internal operations, and organizational growth, we achieved our annual revenue and profit targets in full. With all core operational metrics met, we have laid a solid foundation for the successful conclusion of the 14th Five-Year Plan.



In 2025, we leveraged market opportunities to drive business growth while continuously improving our business structure.

Incineration, the main segment of CEHL, saw improvements in both quality and efficiency, with a marked increase in capacity utilization and a clear release of capacity across multiple projects. Our incineration-derived operations grew steadily, making substantial breakthroughs in extending CEHL's industrial chain. The sanitation segment led the industry in growth rate with a sustained increase in new contract value. The ecological remediation segment gained strong momentum, with high-standard farmland construction and mine ecological restoration emerging as new growth poles.

During the Year, we drove business transformation through innovation and accelerated digital empowerment.

The Open Competition Mechanism Projects for R&D innovation stimulated enthusiasm for technological breakthroughs. Our food waste resource recovery technology won the Second Prize of the Shanghai Science and Technology Progress Award. Core projects saw significant efficiency gains, waste heat boiler stability was enhanced, and flue gas emissions consistently outperformed national standards, setting an industry benchmark. The "AI plus WtE" smart operation solution yielded tangible results, transforming engineering expertise into reusable digital assets and spearheading the industry's transition from labor-intensive to technology-intensive models.

During the Year, we deepened our commitment to green development while advancing strategic efforts for carbon peak and carbon neutrality.

CEHL's Carbon Asset Management Department achieved breakthroughs in regional climate planning and carbon asset assessments for specialty agriculture, validating the development pathway for agricultural carbon sinks and establishing a model for translating ecological value into economic benefits. Energy conservation campaigns effectively raised public awareness of low-carbon living. Food waste projects implemented the entire process of green electricity trading, marking substantial progress in green value conversion.

This year, we improved efficiency through governance and further polished our ESG brand.

For the 14th consecutive year, we were named one of the Top 10 Influential Enterprises in China's Solid Waste Industry. We were included in the ESG Pioneer 30 Index for Listed SOEs and selected as an outstanding case in the ESG Blue Book of Beijing State-owned Enterprises. Our sustainability capabilities have been multi-dimensionally verified.

2026 marks the commencement of the "15th Five-Year Plan." Ecological civilization construction has entered a critical window period where carbon reduction is the strategic focus, driving synergistic effects in pollution and carbon reduction. We firmly believe that the economic fundamentals of steady and long-term improvement remain unchanged, the logic of high-quality development in the environmental industry remains unchanged, and CEHL's determination for strategic transformation remains unchanged. Going forward, we will adopt a dual-driver strategy of "optimizing existing operations and developing new business pillars" to drive quality improvement and strategic upgrades.

CEHL will remain true to its mission of "collectively building a clean, beautiful and prosperous community." We will enhance urban governance through smart operations, help achieve carbon peak and carbon neutrality goals with green technologies, and repay the trust and support of our shareholders, employees and society through responsible operations.

Li Qingsong Chairman
Capital Environment Holdings Limited

March 21, 2026, Beijing



EXECUTIVE PREFACE



Guo Chaoyang

Chief Executive Officer

Committed to the sector of green development, we take "Tackling Challenges, Enhancing Quality, and Driving Growth" as our business guidance and adopt "Innovation, Efficiency, and Elevation" as management catalysts. This unique approach has allowed us to achieve breakthroughs in sustainability practices, which demonstrates our unwavering commitment to the environment and society.



Efficient governance structure and system

We have integrated ESG principles across all of our strategic decisions and operating chains to establish a three-tier governance structure comprising the Board of Directors, the Sustainability Committee, and the ESG Working Group. This structure ensures that sustainability is fully embedded in all business links, covering business decision-making, talent development, ecological protection, community co-construction, and supply chain collaboration. In 2025, we fully complied with the *Implementation Guidance for Climate Disclosures under HKEX ESG Reporting Framework*, establishing a climate risk identification, assessment, and response mechanism. By incorporating physical and transition risks into our strategic considerations, we have enhanced the quality of climate disclosures and bolstered organizational climate resilience, fortifying the governance foundation for low-carbon transition.

Low-carbon transition driven by innovation

During the Year, we transformed technological achievements into tangible productivity. Our innovation engine operated at full speed, delivering continuous growth in patent applications and authorizations with a significant increase in the proportion of invention patents. All Open Competition Mechanism Projects for technological upgrading reached successful completion. Substantial breakthroughs were made in key areas such as desulfurization system optimization. Furthermore, CEHL contributed to the development of national standards, setting industry norms. We achieved a breakthrough in Green Electricity Certificate (GEC) trading, a leap in carbon asset management capabilities, and the rapid expansion of energy-saving and carbon-reduction consulting services. By guiding public engagement in carbon reduction activities, we have expanded our industry influence and contributed unique solutions to achieving carbon peak and carbon neutrality goals.

Leap in Lean Operations

We intensified our oversight of key projects to ensure the efficient operation of our full-lifecycle oversight system. Multiple projects were approved or completed during the Year, providing fresh momentum for our performance growth. Key operational indicators continued to improve, with dual increases in on-grid energy from waste incineration and capacity utilization, maintaining industry-leading energy efficiency. The synergy of centralized procurement and digital tools reduced expenditures, taking operational standardization to a new level and realizing the transformation from "experience-driven" to "data-driven" management.

Talent development and responsible practices

In 2025, we strengthened our talent pipeline through over 2,000 training sessions, establishing a multi-tiered and field-specific talent development system. Flagship programs such as the Eagle's Nest Shift Supervisor Training Camp have been upgraded, yielding tangible results in reserve talent development. Our commitment to social responsibility remained steadfast through regular volunteer services, disaster relief efforts, and rural revitalization initiatives. By opening our environmental protection facilities to the public, we have enhanced social recognition of our mission. Furthermore, our employee care system has been upgraded, with measures such as supplementary medical insurance, childcare services, and psychological counseling effectively implemented to foster a healthy company culture.

2026 marks the start of the 15th Five-Year Plan and a critical window for the Group's leapfrog development. Anchored by our waste incineration business, we will further explore high-potential tracks such as incineration-derived services, urban-rural sanitation operations and site remediation. We will utilize optimized institutional processes as a cornerstone for improving risk resilience and business robustness. As we plan our strategic blueprint for the 15th Five-Year Plan with a commitment to excellence, we intend to open a new chapter of high-quality development. Let us join hands to lead green development and contribute CEHL solutions to building a Beautiful China.

Guo Chaoyang Chief Executive Officer
Capital Environment Holdings Limited

March 21, 2026, Beijing



ABOUT CEHL

Company Profile

As the investment arm of Beijing Capital Eco-Environment Protection Group Co., Ltd. in the field of solid waste treatment, CEHL was listed on the main board of SEHK in 2006 (Stock Code: 03989.HK). We are committed to becoming a comprehensive service provider of environmental improvement solutions for local governments. Focusing on the investment, construction, and operations management of solid waste treatment, the Group has established an integrated business system covering upstream collection and transportation to downstream comprehensive treatment and resource recovery. Our business spans multiple sectors, including urban-rural sanitation integration services, municipal solid waste (MSW) resource recovery services, and environmental remediation services.

As an environmental service provider with national coverage, CEHL enjoys prominent advantages in funding, talent and management across multiple domains, including comprehensive waste treatment, resource recycling, clean energy development and utilization, as well as project investment, implementation, and operations management. Our project footprint extends across more than ten provinces and municipalities, including Beijing, Guangdong, Zhejiang, Henan and Jiangxi, with a total daily processing capacity of approximately 40,000 tonnes.

CEHL has been repeatedly recognized by prominent industry media as one of the Top 10 Most Influential Enterprises in China's Solid Waste Industry. Leveraging our clear development strategy, flexible capital operations, elite management team, world-class technical capabilities, and profound sense of social responsibility, we are rapidly evolving into a fast-growing, large-scale, and highly influential industry leader within China's solid waste treatment sector.

Corporate Culture

At CEHL, we adhere to a set of shared values:

Dedication: We pledge to provide the best services for our clients and contribute to the future of China's waste treatment industry.

Sustainability: We believe the development of a company should be in harmony with the economy, society and the environment as a whole.

Technological Advancement: We value technological advancements and thus, we are committed to research and development. We also work closely with top international waste treatment equipment and technology providers, ensuring our leadership position in know-how and quality services.

Teamwork: We establish solid partnerships with internationally renowned waste management companies, creating synergy as we search for the most appropriate waste treatment solutions for plants operated by ourselves or our clients.



ABOUT CEHL

MISSION

Jointly build a clean, beautiful, and prosperous happy home

VISION

A reliable leader in environmental sustainable development



Strategic Planning

CEHL fully implements the strategic planning of its majority shareholder, Capital Eco Group, and the iterative requirements of the "Eco plus 2025" strategy. Guided by the business strategy of "Tackling Challenges, Enhancing Quality, and Driving Growth" and the management strategy of "Innovation, Efficiency, and Elevation," we have steadily advanced our business efforts.

- We focus on optimizing the business structure, strengthening the large-scale development of asset-light businesses such as sanitation and remediation, thereby driving value discovery in incineration-derived businesses.
- We continue to deepen our operations management capabilities and improve standardization systems and smart platforms to enhance the effectiveness of full-process digital services.
- We will strengthen strategic M&A, prioritizing high-quality projects with technical synergy and regional advantages, while accelerating the replacement of low-efficiency assets and resource integration.
- We aim to build core competitiveness by developing cross-sector integrated solutions and fostering industry benchmark projects, thereby enhancing our market influence.
- Fortifying organizational safeguards, we dynamically adjust our organizational structure based on strategic needs and establish specialized teams to strengthen resource synergy. CEHL will integrate the conclusion of the 14th Five-Year Plan with the launch of the 15th Five-Year Plan in a coordinated manner. Driven by the dual engines of M&As and organic growth, we aim to establish a strong basis for high-quality development.

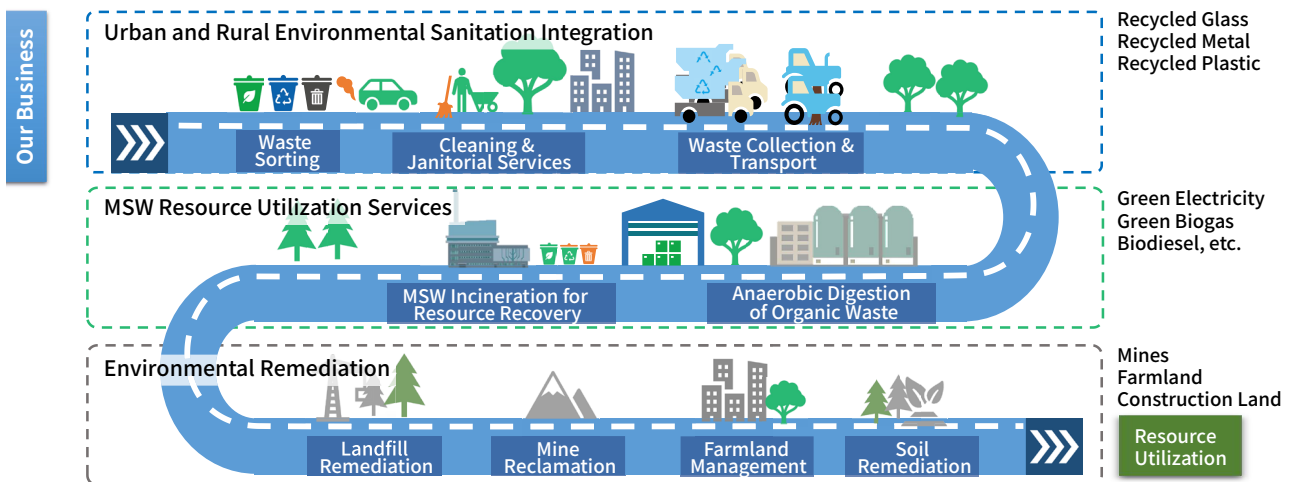


ABOUT CEHL

Business Segments

One-Stop Green Recycling Solution for Municipal Solid Waste

Our one-stop green recycling solution for municipal solid waste (MSW) adopts "Full-Lifecycle Management" across the Sorting – Collection – Storage – Transport – Treatment – Utilization chain. We provide integrated MSW services including urban and rural environmental sanitation, waste-to-energy incineration, anaerobic treatment of organic waste, and site remediation.



ABOUT CEHL

Urban and Rural Sanitation Integration

CEHL provides cleaning, collection, storage, and transportation services for municipal solid waste through sanitation integration. Equipped with smart management systems, we have offered increasingly smart and mechanized urban sanitation services to improve urban hygiene and deliver a clean and pleasant living environment for residents.

MSW Resource Recovery

This segment covers incineration treatment of municipal solid waste and anaerobic treatment of organic waste. Through independent R&D and the adoption of advanced technologies, we provide green and efficient full-process waste-to-energy services and integrated collection-to-treatment solutions. Beyond pollution control and carbon reduction, CEHL engages in the recycling and valorization of municipal solid waste.

Environmental Remediation

We are committed to addressing environmental damage and impacts resulting from urban life and industrial production. Our services cover various scenarios, including ecological remediation of mines, landfill remediation, and soil remediation, providing clients with professional remediation services that deliver social, economic and ecological benefits.



Annual Honors and Recognition

CEHL

The 19th Solid Waste Strategic Forum

**Top 10 Influential Enterprises in
China's Solid Waste Industry for
the 14th consecutive year**



CEHL

Beijing-Tianjin-Hebei State-owned Enterprise Social Responsibility Release, ESG China 2025

**ESG Pioneer 30 Index for
Listed SOEs**

CEHL

Beijing-Tianjin-Hebei State-owned Enterprise Social Responsibility
Release, ESG China 2025

**Exemplary case included in
the ESG Blue Book of Beijing
Municipal SOEs**



Annual Honors and Recognition

CEHL

China Energy News & China Institute of Energy Economics



Department of Ecology and Environment of Jiangxi Province, Department of Agriculture and Rural Affairs of Jiangxi Province, Department of Industry and Information Technology of Jiangxi Province, and Department of Education of Jiangxi Province



Beijing Capital Environment Technology Co., Ltd

The 19th Solid Waste Strategic Forum



Annual Honors and Recognition

Beijing Integrated Project Company

E20 Forum

**Most Socially Responsible
Sanitation Service
Enterprise (2025)**



北京首创环卫有限公司

2025年度

环卫最具社会责任服务企业



Xinxiang Capital Environmental Energy Co., Ltd.

E20 Forum

**Benchmark for Low-Carbon
Operation Services**

双百跨越

“双百跨越”绿色低碳标杆评选

低碳运营服务标杆厂

新乡市首创环境能源有限公司



Henan Provincial Department of Emergency Management

**Grade II Enterprise for Work Safety
Standardization for Industry and
Trade of Henan Province**



Annual Honors and Recognition

Xinxiang Capital Environmental Energy Co., Ltd. &
Nanchang Capital Environmental Energy Co., Ltd.

Chinese Society of Technology Economics & E20 Forum

**Quality Classification and
Pioneer Ranking Certificate**



Nanchang Capital Environmental Energy Co., Ltd.

BJX Environmental Protection (HUANBAO.BJX.COM.CN)

**Influential WtE Employer Starlight
Excellence Award (2025)**



Nanchang Capital Environmental Energy Co., Ltd.

BJX Environmental Protection (HUANBAO.BJX.COM.CN)

**Excellent Base for
Environmental Education**



Stakeholder Communication

CEHL places paramount importance on the opinions of stakeholders. We engage with stakeholders through extensive communication platforms, which is not only a crucial channel for information transmission but also the foundation for resolving problems. By listening to and acting on stakeholder feedback, we effectively integrate our sustainability strategies into every project, creating shared value for all stakeholders.

The Group's business scope is broad and involves various stakeholder groups, including shareholders, investors, governments, regulatory authorities, employees, customers, residents, suppliers, partners, local communities, media, and non-governmental organizations. During the Reporting Period, the Group maintained active and close contact with stakeholders through diverse communication channels and established regular, efficient communication mechanisms tailored to our business realities.

Stakeholder Group	Material Topics of Concern	Methods of Engagement and Response
Shareholders and Investors	• Creating shareholder value • Control operating risks • Standardizing information disclosure • Mitigating climate change • Resource use and recycling	• Maintaining robust and honest operations • Strengthening risk prevention • Meetings, emails and phone calls
Governments and Regulatory Authorities	• Promoting economic development • Fulfilling tax obligations • Engaging in compliant operations • Regular environmental protection efforts	• Responding to national strategies • Implement policy guidelines • Making proactive tax payments • Accepting inspections and supervision



Stakeholder Communication

Stakeholder Group	Material topics of Concern	Methods of Engagement and Response
Employees	• Stable employment • Employee rights and interests • Compensation and benefits • Employee Health and Safety • Training and development	• Improving democratic management • Optimizing compensation systems • Organizing cultural and sports activities • Providing health examinations • Ensuring work safety • Offering employee training
Customers	• Commitment to honesty and integrity • Customer communication and service • Product quality and safety • Privacy and data protection	• Contract fulfillment • Field inspections and investigations • Satisfaction surveys
Industry and Partners	• Integrity and commitment • Win-win cooperation • Promoting industry development • Technological innovation	• Contract fulfillment • Improving procurement policies • Implementing responsible procurement
Local communities and residents	• Community communication • Co-building harmonious society • Supporting rural revitalization	• Engaging with local matters (e.g., local economic and social development, livelihood security) • Organizing charitable donations and volunteer services • Organizing public welfare activities



Stakeholder Communication

Materiality Assessment

In 2025, CEHL collected, organized, and analyzed topics of concern to stakeholders through methods including expert investigation. In light of industry trends, corporate strategy, and ESG regulatory requirements, we assessed and screened 33 core topics across two dimensions: Financial Materiality and Impact Materiality (i.e., the materiality of impacts on the economy, society and environment). As the basis for the preparation of this Report, these topics respond to the expectations and demands of all stakeholders.

Materiality Assessment Process of CEHL



Identify material topics

The Group engaged external sustainability consultants to comprehensively identify topics closely related to our business, and a total of 33 topics were identified. This identification process referenced a wide range of sources (e.g. GRI Standards, SDGs, stakeholder feedback, Board and management suggestions, peer benchmarking, media analysis) to ensure the topics identified reflect the essence of our business and the results of our communication with stakeholders.



Collect stakeholder feedback

The Group invited key stakeholders to answer an online questionnaire. The participants provided comprehensive scores for the 33 topics identified from the perspectives of financial materiality and impact materiality, which were then summarized.



Establish the Materiality Matrix

Based on the questionnaire results, the sustainability consultants conducted a quantitative analysis by calculating scores for both materiality dimensions, ranking the topics, and presenting the results in the format of a matrix.



Board review and validation

The Board validated the prioritized material topics and their boundaries to ensure reasonableness, balance and completeness, aligning the topics with the Group's sustainability strategy.



Stakeholder Communication

List of Material Topics

The Group selected material topics primarily based on historical stakeholder feedback. In 2025, in response to evolving industry trends, we reassessed the previously assessed topics, consolidated certain topics with inherent interconnections, and removed topics deemed less applicable, eventually identifying 33 material topics most relevant to the Group. The following list presents the identified material topics, categorized under the three pillars of Governance, Environment and Society, as they appeared in the stakeholder questionnaire. Stakeholders were asked to prioritize the materiality of each topic from the perspectives of financial materiality and impact materiality.



Stakeholder Communication

CEHL's List of Material Topics

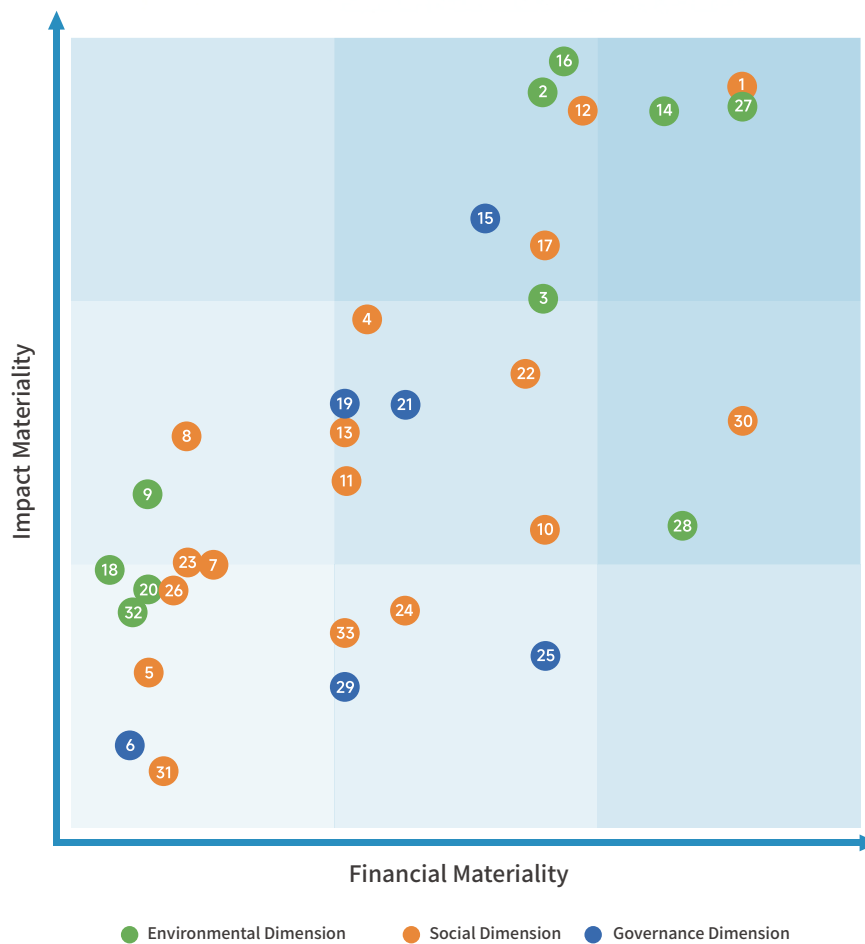
No.	Material Topics	No.	Material Topics
1	Strictly prohibiting child labor or forced labor	18	Energy use and efficiency
2	Air emissions management	19	Sustainability Risk Management
3	Water use and wastewater treatment	20	Circular economy
4	Labor practices and staff welfare	21	Anti-competitive behavior
5	Occupational health and safety	22	Protecting freedom of association and the right to collective bargaining
6	Anti-corruption	23	Suppliers environmental and social assessment
7	Labor relations	24	Responsible marketing communications
8	Human rights	25	Stakeholder communication
9	Waste management	26	Responsible procurement
10	Protecting intellectual properties	27	GHG management and climate change response
11	Customer health and safety	28	Resource usage and efficiency
12	Quality management and after-sales service	29	Sustainability Opportunities
13	Training and development opportunities	30	Community engagement, impact assessment and investment
14	Environmental compliance management	31	Digital transformation
15	Creating economic value for stakeholders	32	Biodiversity
16	Green operations	33	Research and development
17	Diversity and equal opportunities		



Stakeholder Communication

Materiality Matrix

The materiality assessment identified 33 material topics with the highest relevance to the Group, which are prioritized and presented in the following materiality matrix.



CEHL's 2025 Materiality Matrix



Sustainable Operations Management

CEHL regards high-quality, comprehensive, and robust corporate governance as the cornerstone of sustainability. We consistently adhere to the management philosophy of "People-oriented, Pragmatic, Innovative, and Standardized Management." To uphold this philosophy, we have established a robust governance framework that clearly defines the responsibilities and obligations at each level. Through the Management Decision-Making Committee, the Group oversees and reviews business operations and management to safeguard the interests of stakeholders and create long-term value.

Sustainability Management

Over years of development, CEHL has established a comprehensive ESG management system covering the full lifecycle from project planning to operation. In order to align the Group's operations with international principles and standards for environmental and social protection, the system includes requirements for environmental and social impact screening and categorization, land acquisition and resettlement, indigenous peoples' affairs, environmental impact assessment, information disclosure, public consultation and engagement, gender equality, grievance mechanisms, due diligence and review, and monitoring and reporting.

Furthermore, the Group's project management policy incorporates fundamental compliance requirements for environmental and social management. It provides clear guidance on operating factors including air and GHG emissions, discharges to water and land, and the generation and disposal of hazardous and non-hazardous waste, as well as the use of energy, water and other raw materials. The policy also encompasses biodiversity risk assessment, occupational health and safety (OHS) systems, supplier management, stakeholder engagement, and employee training, further strengthening the Group's environmental and social management.

Governance Responsibility

To enhance governance related to environmental, social and governance ("ESG") and sustainability matters, CEHL has established a three-tier structure consisting of the Board, Sustainability Committee and ESG Working Group to undertake a series of tasks related to sustainability policies and practices, as well as the assessment of the Group's sustainability risks and opportunities. The Sustainability Committee comprises at least one Board member, with its Chairperson appointed by the Board as needed. Additionally, committee members include the Secretary to the Board, the Director of the Board Office, and senior management in charge of relevant topics.



Sustainable Operations Management

Governance Structure

The Board assumes ultimate responsibility for the Group's ESG matters, ensuring that sustainability principles are integrated from the top management into all business decisions. The Sustainability Committee provides practical guidance and support, formulates strategies and management approaches, and coordinates efforts to ensure the proper implementation of the Group's sustainability policies, regularly discussing sustainability measures and driving appropriate decision-making and deployment across the Group.

The Board holds ultimate oversight responsibility for the Group's ESG management, reviewing and overseeing the Group's annual sustainability plans, activities and performance, as well as climate-related risks and opportunities. The Board incorporates ESG topics, such as climate change, into its considerations, and links the directors' remuneration system to these topics. While reviewing strategic directions, the board establishes management targets for material topics and oversees their implementation progress and outcomes.

The Sustainability Committee is responsible for conducting annual ESG risk assessments, formulating management strategies, responding to risks, and organizing ESG exchange seminars. The Committee supervises and reviews sustainability policies, practices, frameworks and management guidelines regarding sustainability targets, strategies, risks and measures, providing improvement recommendations to the Board. It oversees the materiality assessment of internal and external topics, reviews and reports sustainability risks and opportunities to the Board, and evaluates ESG and sustainability-related risks. It makes recommendations on the existing risk management and internal control frameworks as necessary, regularly reviews performance against sustainability targets, and handles public communication, disclosure and the publication of sustainability reports, while advising the Board.

Business departments, functional offices, and city-based companies within the solid waste division of CEHL are responsible for executing sustainability strategies and measures. These include business departments such as the Sanitation Industry Department, Site Remediation Department, Engineering Management Department, and Carbon Asset Management Department; city-based companies such as Nanchang company, Zhumadian company, and Nanyang company; and functional departments such as Human Resources and Legal and Compliance. They interact with stakeholders through diverse channels to assess and respond to ESG-related risks and requirements, regularly reporting progress and achievements to the Sustainability Committee to continuously optimize ESG management based on feedback.



Sustainable Operations Management

CEHL ESG Governance Structure and Responsibilities

ESG Governance Structure	ESG Governance Responsibilities
Board of Directors	Review and approve ESG strategic plans, targets, structures and policies; Review ESG-related risks and materiality; Review and approve ESG disclosure and related matters; Review major negative ESG incidents; And oversee and inspect ESG management and operations.
Sustainability Committee	Formulate ESG policies and recommend updates, including but not limited to climate change, health and safety, the environment, human rights and anti-corruption, ensuring that the Group's position and performance on global ESG topics align with contemporary and international standards; Focus on topics such as climate change, GHG reduction, green products, clean and energy-efficiency technologies, and safe and stable operations; Conduct research, analysis and risk assessments on ESG matters, and propose ESG policies, strategies and targets; Coordinate the oversight and inspection of ESG policies, management, performance and progress toward goals, and provide recommendations; Review and submit ESG reports to the Board; Deliberate on other major ESG-related matters; And exercise other functions pertaining to ESG granted by the Board.
ESG Working Group	Formulate policies and action plans aligned with strategic and ESG targets; Manage ESG-related risks and matters in daily operations; Communicate with functional departments and subsidiaries (branches) to coordinate the implementation of ESG-related matters; Collect, organize and prepare ESG-related disclosure documents; And handle other ESG-related matters.



Sustainable Operations Management

Board and Management Diversity

The Group fully recognizes that the diversity of Board members is essential to broadening perspectives and enriching viewpoints, which helps improve the quality of the Board's decision-making and better meet the Group's strategic needs and development goals. To this end, we have established the *Board Diversity Policy*, committing to consider factors such as gender, skills, experience, professional expertise and educational background when determining the Board composition, so as to enhance the Board's effectiveness and achieve the Group's strategic goals.

The Group continuously reviews ESG-related management policies and the division of labor, including the review of management standards for material topic identification, auditing, incident investigation and reporting, as well as contractor management. Such efforts aim to facilitate the effective implementation of the oversight system in business operations and extend our sustainability culture and policies to the supply chain. Furthermore, the Group actively promotes ESG management policies, encouraging the full participation of both employees and external service providers to standardize management and improve management capabilities through mutual supervision and joint efforts. The Group periodically reviews its sustainability policies and makes appropriate amendments as required.

The remuneration policy for executive directors (including the Chairman of the Board and the CEO) and senior management are determined based on indicators, such as economic performance, investments in new projects and safety and environmental performance. This approach ensures that the interests of executive directors and senior management remain aligned with the long-term interests of the Group and its shareholders. For detailed remuneration of each Director, please refer to the 2025 Annual Report.

Sustainability Risk Management

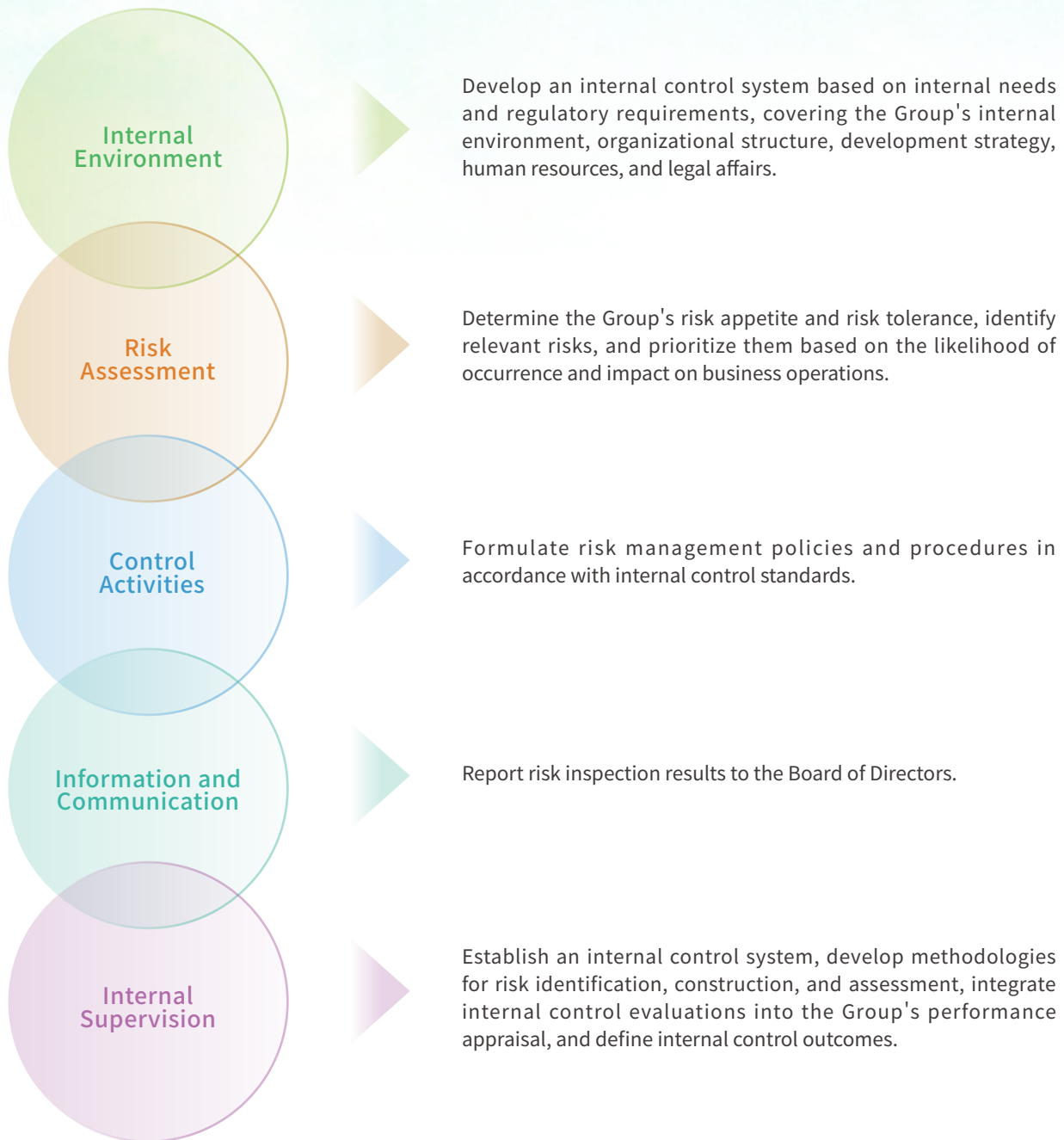
CEHL is committed to building a robust risk management and internal control system. The Board is responsible for determining the types and extent of risks the Group is willing to accept in achieving its strategic objectives, and regularly reviews these risks to ensure the effective operation of the risk management system. In addition, the Board oversees management's work in the establishment, implementation and supervision of the risk management and internal control systems, and bears ultimate responsibility for the entire system.

The Group has established a hierarchical risk management framework. The Internal Audit Department and the Operations Development Department are jointly responsible for establishing and implementing the internal control system, conducting risk assessments, establishing a risk database, and formulating risk-based internal audit plans. Meanwhile, these departments carry out independent internal control supervision and evaluation activities to effectively identify, assess, mitigate, report and monitor the key risks faced by the Group and its subsidiaries. Through this comprehensive risk management process, we are able to formulate strategies and implement projects more prudently, thereby achieving better business results.

The Group has established the "Management System of Internal Control" to provide guidance on risk identification and assessment to ensure that the developed internal control system meets the five elements of internal environment, risk assessment, control activities, information and communication and internal supervision.



Sustainable Operations Management



CEHL's Internal Control System



Sustainable Operations Management

Aiming to raise risk awareness among all employees, CEHL regards the establishment of a risk management culture as an integral part of the Group's development strategy. To address various risks, the Group has formulated effective control measures, helping employees establish proper risk management perspectives through case studies and training on risk policies. Such training programs are designed to foster compliance with proper codes of conduct and ethical norms among employees, thereby demonstrating risk management awareness in their daily work.

Sustainability Goals

CEHL proactively responds to the vision of carbon peak and carbon neutrality. By setting a long-term carbon neutrality target for 2050, we contribute to the global effort to limit temperature rise to within 1.5 degrees Celsius above pre-industrial levels while implementing carbon reduction targets for 2030 to minimize our carbon footprint. The Group will continue to review its existing environmental management practices and data to achieve our environmental targets.

In the future, we will strive to improve our sustainability work, and set and identify the prioritised United Nations Sustainable Development Goals ("UNSDGs"), and gradually establish a sustainable business strategy for CEHL.

Compliance Management

CEHL attaches great importance to compliance management, regarding it as the cornerstone of business operations. We require all departments and project companies to strictly comply with the Group's compliance policies to ensure that all business activities are compliant.

The Group has issued a series of rules and policies, including the *Implementation Rules for Compliance Management*, and established clear procedures for addressing potential violations. This ensures that investigations are promptly launched upon receiving reports of violations, and appropriate corrective measures are taken to handle any misconduct, safeguarding the Group's business integrity and reputation.

To ensure strict compliance with national regulations regarding safety, health and environmental protection during our production and operations, the Group has issued the *Management Measures for the Identification and Update of Safety, Health, and Environmental Laws, Regulations and Standards*. These Measures explicitly state that project companies must regularly collect the latest information on relevant laws, regulations, rules, and standards through government agencies, industry associations, news media, professional publications, books, and databases. Project companies are required to update the *List of Applicable Laws, Regulations, Rules, and Standards on Safety, Health, and Environmental Protection* to ensure compliance with the latest regulatory requirements in fields including work safety, occupational health, and environmental protection.



Sustainable Operations Management

ESG Laws and Compliance Status of CEHL

ESG Indicator	Laws and Regulations	Compliance Disclosure
Emissions	<i>"Environmental Protection Law of the People's Republic of China"</i> <i>"Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes"</i>	The Group has not identified any cases of non-compliance in relation to emissions in the Reporting Projects during the Year.
Employment	<i>Labor Law of the People's Republic of China</i> <i>Labor Contract Law of the People's Republic of China</i>	During the Year, no cases of discrimination or non-compliance in relation to employment were found among the Reporting Projects of the Group
Health and Safety	<i>Production Safety Law of the People's Republic of China</i> <i>The Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases</i> <i>Regulation on Work-Related Injury Insurances</i> <i>Occupational Health and Safety Management Systems—Requirements with Guidance for Use (GB/T 45001-2020)</i>	During the Year, no cases of non-compliance in relation to health and safety were found among the Reporting Projects of the Group.
Labor Standards	<i>Law of the People's Republic of China on the Protection of Minors</i> <i>Labor Law of the People's Republic of China</i> <i>Payment of Wages Tentative Provisions</i> <i>Provisions on the Prohibition of Using Child Labor</i>	The Group has not identified any cases of non-compliance in relation to labor standards during the Year.
Product Responsibility	<i>Company Law of the People's Republic of China</i> <i>Standard for Pollution Control on Municipal Solid Waste Incineration</i>	The Group has not identified any cases of non-compliance in relation to labor standards during the Year.
Anti-corruption	<i>Anti-Unfair Competition Law of the People's Republic of China</i> <i>Anti-Money Laundering Law of the People's Republic of China</i> <i>Bidding Law of the People's Republic of China</i>	The Group did not receive any cases of corruption proceedings against the corporation or its employees during the Year, and did not violate laws and regulations in relation to anti-corruption



Sustainable Operations Management

Upholding Business Ethics

CEHL upholds a management philosophy of integrity and pragmatism alongside high ethical standards. We strictly implement laws and regulations such as the *Anti-Monopoly Law* and the *Anti-Unfair Competition Law*, while strengthening our risk prevention and mitigation capabilities regarding anti-commercial bribery, anti-monopoly, and anti-unfair competition. Committed to these principles, we have integrated our corporate values into all business operations. We strive to foster an integrity-based corporate culture, establish relevant management policies and guidelines, and solidify the ethical foundation of our business.

Anti-Corruption Policies

CEHL adopts a zero-tolerance approach toward all forms of corruption, bribery, extortion, and fraud, strictly adhering to national laws and regulations concerning the prevention of bribery, extortion, fraud and money laundering. We have formulated comprehensive anti-corruption policies and rules, including the *Employee Accountability and Penalty Management Measures*, *Implementation Measures for Punishing and Preventing Corruption of CEHL*, *Code of Conduct for Employee Integrity and Self-discipline*, *Letter of Commitment for Integrity in Employment*, *Proposal for Promoting Integrity within Families*, and the *Integrity Notice*. These documents clearly define the anti-corruption framework and workflows, ensuring compliance across all departments. We have set up an Internal Accountability Committee for employees suspected of committing corrupt acts. Chaired by the CEO, the Internal Accountability Committee comprises department heads and their respective superiors from the Audit Department, Financial and Accounting Department, Legal Affairs Department, Human Resources Department and the Party Work Department. The Committee collects evidence, initiates investigations into alleged corrupt practices, conducts inquiries, handles appeals, and imposes appropriate penalties, thereby standardizing the Group's anti-corruption procedures.

CEHL upholds a management philosophy of integrity and pragmatism alongside high ethical standards. Committed to these principles, we have integrated our corporate values into all business operations. Aiming to foster an integrity-based corporate culture, we have established relevant management policies and guidelines. We communicate the Group's values, culture and policies to both existing and new employees to raise their awareness of internal norms and ethical conduct, thereby fostering a healthy and orderly corporate environment.

Anti-Corruption Reporting Channels

CEHL encourages all employees to report misconduct through dedicated channels including hotlines, email addresses, and mailing addresses within the Group. We commit to protecting the personal data of all whistleblowers and ensuring they do not suffer any retaliation or negative impact due to their reports. Through whistleblowing, we aim to combat any existing or potential misconduct, fraud and irregularities, minimizing the impact of corrupt practices such as bribery, extortion, fraud and money laundering on the Group.



Sustainable Operations Management

Upon receiving a corruption report, the Group will conduct a preliminary analysis, screening and review of the leads within 10 working days. Cases identified for formal investigation after such review will be reported to the leader in charge, with the investigation procedure initiated upon approval by the CEO. The Audit Department and the leader in charge are responsible for handling severe cases or cases with particularly complex leads in accordance with relevant policies and procedures. Once a case is substantiated, penalties will be imposed according to the established policies. These may include internal criticism, reassignment, demotion, dismissal, or even the termination of employment. Individuals who violate the relevant laws will be transferred to judicial authorities. At CEHL, we do not tolerate any act of corruption, enabling compliant operations while upholding business ethics.

Anti-Corruption and Clean Governance Construction

Recognizing that anti-corruption training is vital to promoting integrity, CEHL actively provides various forms of integrity education and anti-corruption training to raise integrity awareness among employees. Furthermore, we continue to improve the relevant internal policies, thereby advancing the system for punishing and preventing corruption. During the Year, a total of 48 Directors and project directors, as well as 1,038 employees, participated in anti-corruption training. The average time spent by employees on anti-corruption training was 5.05 hours.

Protection of Third-Party Privacy

To ensure the protection of third-party personal data and privacy in compliance with legal requirements, *CEHL's Privacy Policy* clearly defines the scope of third-party privacy and stipulates a series of standard procedures and guidelines for both employees and suppliers. We require employees to strictly adhere to the *Confidentiality Management Measures (Revised)* and to collect, store, process, disclose, and use third-party personal information and data in accordance with the law. To protect intellectual property and ensure respect for knowledge and talent, our *Privacy Policy* also includes provisions to prevent copyright infringement. Furthermore, we provide regular training to reinforce the importance of privacy and intellectual property protection, allowing employees to master proper management methods.

The Group attaches great importance to customer privacy protection and continues to improve its customer information security management system. We strictly regulate employee conduct, establishing hierarchical access permissions and confidentiality policies. Confidentiality clauses are included in all transaction contracts, and specific agreements are signed for major transactions to prevent unauthorized information disclosure. In the event of any non-compliance, we shall take prompt remedial measures and pursue legal liability to safeguard the legitimate rights and interests of our customers. In 2025, CEHL experienced no substantiated incidents of customer privacy infringement.



Spotlight: Safeguarding Ecosystems with Smart Solutions

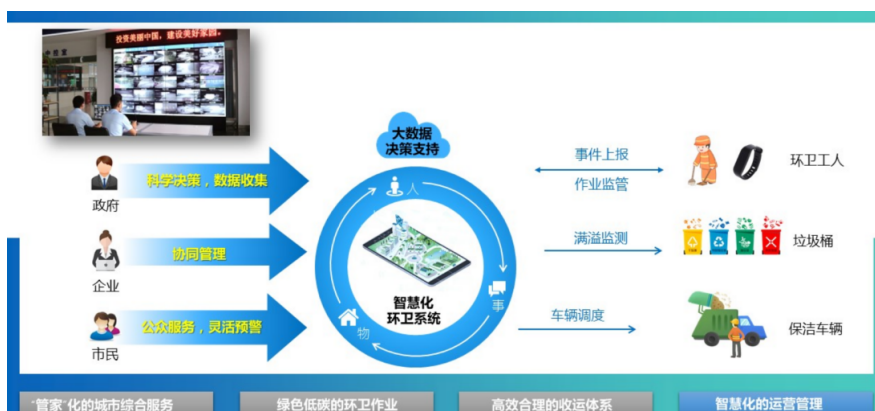
With the mission of "collectively building a clean, beautiful and prosperous community," CEHL has established a strong presence in digital and intelligent environmental protection. At CEHL, we offer smart solutions that cover scenarios such as sanitation integration, AI-powered WtE incineration, and mine remediation, transforming technical advantages into tangible ecological value. Our efforts to improve human settlements and the quality of urban life have achieved a leap in urban governance efficiency and environmental quality, thereby improving urban sustainability.

Smart Sanitation System

CEHL has developed an IoT-based smart sanitation system. Leveraging data on personnel and vehicles involved in cleaning, law enforcement, and waste collection and transportation procedures, this smart system orchestrates the management of the entire sanitation process, enabling visualized, accurate and intelligent sanitation management. Moreover, our system improves the precision and effectiveness of planning and decision-making, facilitating refined urban management.

Centering on the Smart Sanitation System backed by data and technology, CEHL has established a collaborative management framework covering governments, enterprises and citizens. For governments, the system provides a global perspective to facilitate scientific decision-making and provide data empowerment, thereby enabling the coordinated allocation of sanitation resources. For enterprises, the system optimizes operational scheduling and expenditure control, improving management efficiency and operational benefits. For citizens, the system offers convenient public services and improves the overall sanitation experience.

Meanwhile, terminals such as sanitation workers, waste bins and cleaning vehicles are fully integrated to achieve closed-loop management throughout the entire process, including incident reporting, operation supervision, clearance monitoring and vehicle scheduling. We have established four essential services: holistic integrated urban services, green and low-carbon sanitation operations, an efficient and scientific collection and transportation system, and smart operating management, driving the upgrade of urban sanitation from conventional O&M to modern smart governance.



CEHL Smart Sanitation System

Spotlight: Safeguarding Ecosystems with Smart Solutions

AI-Powered WtE Incineration

CEHL's solution of AI-Powered Smart and Lean Operations for Waste-to-Energy Plants focuses on resolving the challenges of manual reliance in fuel management and incineration control, thereby reducing pollutant emissions and improving air quality for residents. Our solution integrates technologies such as the Industrial Internet, knowledge graphs and predictive maintenance, transforming the tacit knowledge of engineers into reusable digital assets. Moreover, this approach achieves intelligent control of the incineration process and provides standardized smart O&M solutions for the waste-to-energy industry, promoting its transition from labor-intensive to technology-intensive models.

Case Study: Operational Excellence with Smart Management — Xinxiang Waste-to-Energy Project

Backed by advanced technologies, the Xinxiang Waste-to-Energy Project is one of the largest demonstration projects for green energy and environmental protection infrastructure in Northern Henan. Leveraging a smart management platform, the project achieved a 100% monthly equipment defect rectification rate and a fluctuation rate of only 2.8% in waste heat boiler evaporation. The annual daily average of flue gas pollutants aligned with the benchmark levels of the waste-to-energy industry.



Panoramic View of Xinxiang Waste-to-Energy Project



Spotlight: Safeguarding Ecosystems with Smart Solutions

Furthermore, we actively employ advanced tools to accelerate the innovation and application of environmental protection technologies, exploring new pathways toward sustainability that are both intelligent and green. In 2025, we phased in the use of autonomous sweepers, leveraging the fusion of LiDAR and HD cameras to accurately identify and clean ground stains, improving the reliability, safety and operational efficiency of autonomous sweepers in complex real-world scenarios. Beyond that, our autonomous sweepers facilitate more efficient road cleaning operations while also reducing repetitive labor for sanitation workers.



Autonomous Sweeper

Smart Operating Management of Mine Remediation

Leveraging AI and satellite positioning, CEHL has built a smart operational management system that powers mine remediation with a data-driven intelligent governance model. All data is ultimately integrated into a cloud platform for building a digital twin of the mines through systematic analyses, offering a visualized, traceable and predictable remediation process.

CEHL's Smart Operating Management of Mine Remediation

1. Beidou high-precision positioning is adopted to establish environmental, vegetation growth, and slope displacement monitoring systems. This allows for the real-time tracking of soil, water quality, vegetation recovery and geological safety, providing data support for assessing the remediation outcomes.
2. CEHL employs geofencing systems to designate work and restricted areas, with automatic alerts for trespassing to effectively mitigate risks.
3. Real-time tracking of personnel, machinery and transport vehicles ensures operating safety and enhances scheduling efficiency.



Spotlight: Safeguarding Ecosystems with Smart Solutions

To address potential safety hazards during the remediation process, we have established a comprehensive smart safety monitoring and management system featuring all-weather real-time monitoring, dynamic capture, precision positioning, danger alarms and automatic responses. Through facial recognition and smart monitoring, the system automatically identifies operating norms for on-site personnel and equipment status, providing prompt warnings for safety hazards and effectively reducing risks during hazard mitigation for slope-cutting.

These measures allow us to achieve precise control over the progress, quality, safety and expenditure of mine remediation projects while also optimizing remediation plans and scientifically allocating resources based on data analysis. This ensures that remediation projects meet expected ecological targets, providing strong support for restoring "lucid waters and lush mountains."



CEHL Smart Operational Management System and Mine Remediation Rendering



Climate Change and Carbon Reduction

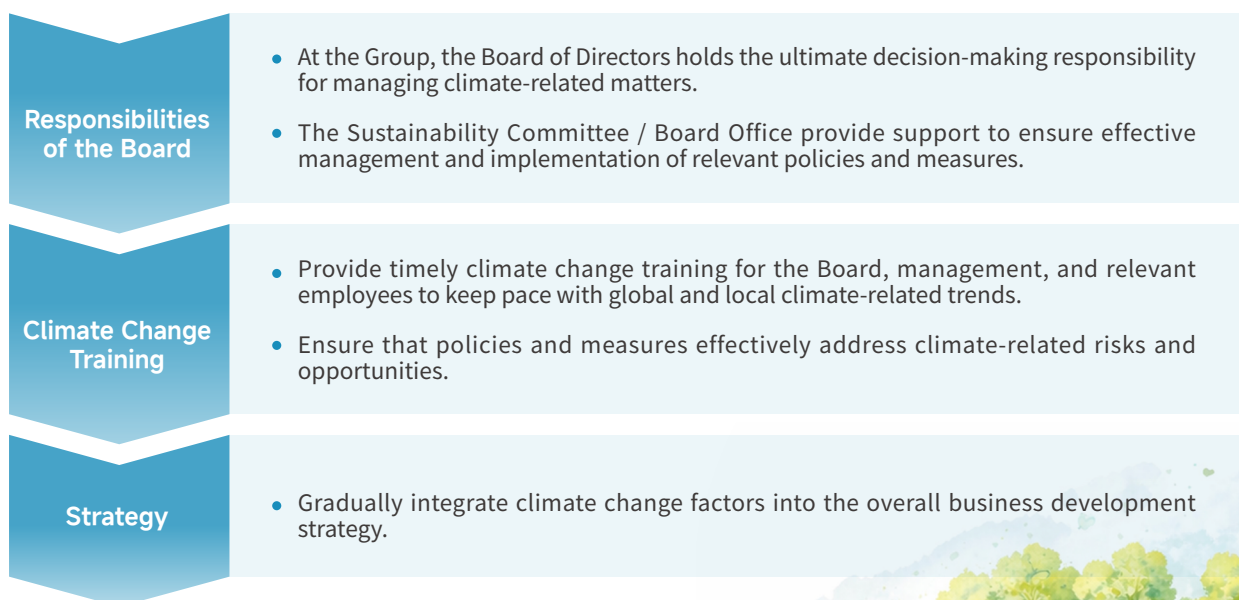
Climate change is one of the biggest threats facing our world today. Recognizing the challenges climate change poses to business operations, CEHL embraces green, low-carbon operations and sustainability. Fully responding to the requirements on climate-related disclosures of the SEHK, we have integrated climate topics into our corporate strategy and established a robust environmental and climate governance system to address the risks and opportunities presented by climate change. We have also adopted GHG reduction targets and evaluated our reduction efforts while disclosing climate-related work plans and achievements.

Addressing Climate Change

The Board is well aware that CEHL must proactively address the impacts and potential financial and operating risks of climate change and make early deployments to address the financial and operating risks that climate change may bring in the future. With priority given to climate change governance, we continue to improve our internal management mechanisms and measures to address climate risks and engage in more effective climate change governance.

Climate Governance Structure

CEHL headquarters and each project company strive to fulfill their roles in addressing climate risks. This involves formulating, monitoring and reviewing climate-related metrics and targets annually, guiding project companies in taking actions to mitigate climate threats. To supervise the Climate Working Group in fulfilling its duties, the Group has also established climate-related performance targets at the management level to assist the Board in evaluating the effectiveness of its climate strategies and measures.



CEHL's Climate Governance System



Climate Change and Carbon Reduction

CEHL firmly believes that acting on climate change is not only an important part of our engagement in global climate governance but also a key long-term driver of sustainability and value creation. We have released the *Climate Change Policy*, which specifies our focus in climate governance and establishes response mechanisms covering mitigation, adaptation, resilience and information disclosure. This enhances our resilience to climate risks and systematically manages the various impacts of climate change, while actively seizing green transition opportunities to ensure that climate actions are highly aligned with our overall strategy.

Climate Response Strategy

CEHL has established a climate risk management process in accordance with the disclosure procedures set out in the *Implementation Guidance for Climate Disclosures under HKEX ESG Reporting Framework*. We have identified and analyzed climate risks following the framework on climate-related risks, opportunities and financial impacts proposed by the Task Force on Climate-Related Financial Disclosures ("TCFD"). Through qualitative investigations such as data analysis, interviews with management and internal discussions, we have assessed the financial impacts of various risks, produced a climate risk inventory, and formulated response measures.

Physical Risks and Opportunities-Identification and Responses

Acute Risks

Risk Description	Potential Opportunities	Primary Potential Financial Impacts
Extreme weather events such as floods, typhoons and droughts.	Exploring new markets: We will improve our disaster management and emergency response systems to unlock new opportunities for strategic transformation.	Frequent extreme weather events may lead to escalating operating expenditures. Conditions such as freezing rain and snow may damage equipment and disrupt operations, leading to higher operating expenditures. Frequent extreme weather leads to increased employment expenditures. Prolonged heatwaves and cold spells are expected to increase our expenditures on subsidies and allowances for field staff.

Mitigation Strategies

- Steps will be taken to effectively identify climate-related risks and collaborate with institutions such as meteorological authorities, thereby establishing robust emergency response plans and management capabilities.
- Effective equipment maintenance and prompt damage repairs following extreme weather events will be adopted.
- Investment in employee emergency response training and personal safety protection under extreme weather conditions will be increased.



Climate Change and Carbon Reduction

Physical Risks and Opportunities-Identification and Responses

Chronic Risks

Risk Description	Potential Opportunities	Primary Potential Financial Impacts
Global warming and rising sea levels.	Developing low-carbon energy: Global warming drives demand for low-carbon and zero-emission energy, alongside a heightened focus on environmental conservation.	Climate change increases our management expenditures. Rising sea levels threaten coastal facilities, leading to increased infrastructure expenditures. Rising temperatures increase heatstroke risks and equipment ventilation requirements, potentially driving up operating expenditures.
Mitigation Strategies • Air conditioning will be installed in high-temperature work zones to ensure stable, resilient operations. • Efforts will be made to assess the climate adaptability of future operations and assets.		

Additionally, the Group faces transition risks arising from the rapid development of the low-carbon economy. Governments and regulators have introduced policy measures to support green transitions across industries to achieve decarbonization targets. As investors increasingly prioritize climate change topics, the Group also faces pressure from investors and industry peers to enhance its reputation by formulating low-carbon transition strategies and improving GHG accounting and disclosure. The identified transition risks, potential impacts and response strategies are detailed below:



Climate Change and Carbon Reduction

Transition Risks and Opportunities-Identification and Responses

Policies and Laws

Risk Description	Potential Opportunities	Primary Potential Financial Impacts
The State Council of China released policy documents such as <i>Action Plan for Carbon Dioxide Peaking Before 2030</i> , and national policies and requirements have also evolved.	Development opportunities presented by clean energy: Restrictions and controls on carbon emissions present opportunities to expand the investment in clean energy projects, such as comprehensive biomass utilization, to meet the demands of a low-carbon economy. Engagement in the green certificate market: Trading of Green Electricity Certificates (GECs) offers new business opportunities and generates additional revenue.	Impact on business presence: Due to regional differences in the application of the dual control policy concerning the amount and intensity of carbon emissions, the Group must optimize and adjust its business presence and asset portfolios according to local conditions. Increased compliance expenditures: The Group is prompted to allocate more resources to meet increasingly stringent regulatory requirements and improve the quality of information disclosures. Higher operating expenditures: Tightening climate regulations impose stricter environmental requirements on project development

Mitigation Strategies

- Efforts will be made to venture into emerging green energy industries, promote comprehensive biomass utilization projects, and explore new business avenues.
- The green electricity certificate trading mechanism will be closely monitored while formulating and implementing emission reduction strategies.
- A robust data quality management system will be established to facilitate disclosures of effective carbon emission controls.
- Transparent disclosures will be adopted to improve our rating in international climate-related evaluations and enhance our corporate image and credibility.



Climate Change and Carbon Reduction

Transition Risks and Opportunities-Identification and Responses

Market and Technology

Risk Description	Potential Opportunities	Primary Potential Financial Impacts
The market demands products and services with small carbon footprints. Demand for clean energy generation has increased. Carbon asset trading has become more market-driven at an accelerated pace. Requirements for carbon trading have become more stringent.	Demand for innovation: Market and technological demands for decarbonization have accelerated the pace of corporate technological innovation. New market opportunities: Government policy incentives have presented subsidies and other opportunities.	Driving asset appreciation: The R&D of innovative technologies and the acquisition of relevant patents will enrich the Group's intangible assets, and technological breakthroughs will help extend the service life of our fixed assets. Increased R&D expenditure: We have seen an increase in R&D expenditures in emerging fields, including the retrofitting and innovation of environmental technologies, as well as renewable energy. Rising expenditure on talent development: In light of the foundational importance of talent to technological innovation, the Group needs to foster a team of technical professionals to unlock growth in emerging fields.
Mitigation Strategies • Efforts will be made to intensify Industry-University-Research Institute (IUR) cooperation, improving the technical pathways in the low-carbon transition. • We will proactively explore the new energy sector and increase the proportion of renewable energy generation to meet market demands. • Steps will be taken to enhance employee capabilities and improve our capacity for technological innovation through targeted training. • Feasibility studies and expenditure-benefit analyses on low-carbon technologies will be conducted to establish a scientific expenditure management system.		



Climate Change and Carbon Reduction

Transition Risks and Opportunities-Identification and Responses

Reputation

Risk Description	Potential Opportunities	Primary Potential Financial Impacts
Environmental regulatory penalties may raise concerns among investors. Negative public opinion arising from incidents caused by extreme weather may damage the Group's reputation.	Reputation management and rebranding: Climate-related transition risks prompt the Group to place greater emphasis on reputation management. They also present an opportunity for rebranding, allowing us to improve our public image through strengthened environmental protection and sustainability measures.	Negative environmental information impacts the corporate reputation in capital markets. Environmental regulatory penalties or environmental incidents may hinder financing activities.
Mitigation Strategies • We will strengthen investor relations management by safeguarding investors' right to know and ensuring timely disclosures. • Efforts will be made to improve social engagement and public understanding through a wide range of outreach activities, such as open days. • We will follow the sustainability strategy, raise environmental awareness, and establish robust environmental management systems.		



Climate Change and Carbon Reduction

Climate Risk Management

CEHL recognizes the long-term, significant impacts and risks that climate change poses to operations. We support national environmental initiatives to combat climate change and actively build strategies to mitigate potential adverse impacts while capturing climate-related opportunities. Following TCFD recommendations, we have developed plans on climate-related financial risks and opportunities response plans and examined climate-related risks and opportunities to cope with the impact of climate change.



Climate Risk Management Process

The Group has developed and implemented emergency policies, including the *Comprehensive Emergency Response Plan* and the *Notice on Strengthening Flood Prevention Work*, to establish clear mitigation measures for heavy rain and flood risks, ensuring safe and orderly operations across all project companies. These protocols facilitate an efficient and structured response to natural disasters such as typhoons, floods and severe convective weather, thereby minimizing losses and protecting employees and corporate assets. Effective response strategies allow the Group to ensure safe operations and help maintain social stability. Consistently adhering to the principle of "Safety First, Prevention Foremost, and Comprehensive Governance," we prioritize personal safety while ensuring the security of plant facilities and equipment through practical measures designed for effective risk mitigation.

CEHL Emergency Management Safeguards

1. An emergency rescue task force with clearly defined responsibilities is established.
2. Departments are required to organize prompt emergency responses based on the current inventory in the emergency supply warehouses.
3. Supply custodians are appointed to regularly inspect stockpiles and replenish sites with insufficient supplies to ensure adequacy.
4. Regular emergency drills are conducted across departments and sites to improve response capabilities.



Climate Change and Carbon Reduction

Project companies are required to actively implement preventive and early-warning measures for climate events. They are also expected to collect forecasts for typhoons, flood seasons, and severe convective weather through multiple channels while tracking floods, rainfall, typhoon dynamics and tidal level changes. Additional efforts should be made to improve the warning release procedures with clearly defined reporting timeframes, procedures and methods, thereby ensuring timely incident reporting and emergency response. After an incident, departments are required to conduct area-wide inspections to repair damaged equipment and address potential hazards. Once the situation stabilizes, departments should complete the inventory recovery and replenishment of supplies. The Emergency Leadership Group leads the incident investigation to uncover causes, draw lessons, and implement preventive measures. This closed-loop management structure ensures that similar incidents are strictly prevented from recurring.

Furthermore, the Group has established a series of essential climate-related indicators to thoroughly assess the impact of climate change on operations. We will continue to disclose and dynamically monitor these indicators to track the effectiveness of adaptation measures across project companies and optimize our risk management procedures.

CEHL Indicators of Physical Climate Risks

Climate Risk Indicator	2025 Value
Number of days of forced suspension due to extreme weather	0
Number of employee sick leave days due to extreme weather	0
Number of workdays lost to employee injuries resulting from extreme weather	0

The Group has implemented a comprehensive preventive maintenance program, conducting routine inspections and maintenance of critical systems to reduce failures, extend equipment uptime, and ensure that infrastructure remains operational despite the impacts of climate change. This program enables project companies to address issues before they manifest, effectively maintaining operating stability. Regarding incidents caused by floods, the Group has established a flood reporting system to ensure the timely preparation of flood reports and the collection of relevant evidence. Furthermore, flood and typhoon prevention work is supervised and evaluated, with results directly linked to performance appraisals.



Climate Change and Carbon Reduction

Metrics and Targets

CEHL proactively supports China's vision of carbon peak and carbon neutrality. By setting a long-term carbon neutrality target for 2050, we contribute to the global effort to limit temperature rise to within 1.5 degrees Celsius above pre-industrial levels while implementing carbon reduction targets for 2030 to minimize our carbon footprint. The Group will continue to review its existing environmental management practices and data to achieve our environmental targets.

Carbon Emissions Management

CEHL actively responds to carbon peak and carbon neutrality targets, which are integrated into the Company's overall business strategy. We continuously evaluate and record environment-related data, utilizing the CEHL Integrated Management Platform to implement effective management of sanitation cleaning and collection and transportation projects. Additionally, we have carried out real-time supervision and monitoring of operating vehicles and work sites, with GHG emissions and other key environmental indicators disclosed on a regular basis.

Carbon Accounting

CEHL has engaged professional external consultants to conduct annual carbon emission assessments, aimed at quantifying the GHG emissions (carbon footprint) generated during the operations of various projects. In the quantification process, we have adhered to relevant national and international guidelines, including *GB/T32150-2015 General Guideline of the Greenhouse Gas Emissions Accounting and Reporting for Industrial Enterprises* and ISO 14064-1 GHG verification standard. This rigorous approach ensures the accuracy and consistency of our assessments, providing a scientific basis for formulating reduction strategies and optimizing operations.

Carbon Emission Management Measures of CEHL

1. A robust carbon emission statistics system has been adopted to track the Group's GHG emissions and provide data support for carbon management.
2. Carbon emission management is incorporated into the full project lifecycle of development, design, construction, operation, and maintenance to reduce emissions.



Climate Change and Carbon Reduction

CEHL actively discloses the absolute values and intensities of carbon emissions across all three scopes. During the operation of each Reporting Project, the direct GHG emissions mainly come from waste incineration. These statistics allow us to regularly evaluate the effectiveness of existing measures and provide guidance for future project operations.

GHG Emissions

Indicator	2023 Value	2024 Value	2025 Value
Total GHG emissions (Scope 1, 2 and 3) (tCO₂e)	1,767,629	2,127,638	2,648,723
Scope 1 (tCO₂e)	1,753,532	2,113,445	2,628,970
Scope 2 (tCO₂e)	14,049	14,127	13,753
Scope 3 (tCO₂e)	48	66	59
GHG emissions (Scope 1, 2, and 3) (tCO₂e/RMB 1,000 of revenue)	0.77	0.88	0.61

Note: Scope 3 currently includes Category 6 emissions from employee business travel. Other Scope 3 categories remain under study and will be gradually included in future disclosures once the accounting basis becomes more mature.

CEHL actively discloses the absolute values and intensities of carbon emissions across all three scopes. During the operation of each Reporting Project, the direct GHG emissions mainly come from waste incineration. These statistics allow us to regularly evaluate the effectiveness of existing measures and provide guidance for future project operations.

Carbon Reduction Measures

To address and manage the climate-related risks and opportunities mentioned above, CEHL has defined a clear business development pathway for carbon reduction. In accordance with the *Carbon Peak Action Plan for Municipally-Administered State-owned Enterprises* issued by Beijing SASAC, we have adopted action plans for the Group and several second-tier subsidiaries, laying a solid foundation for promoting innovative, green and high-quality development.



Climate Change and Carbon Reduction

At the same time, we have maintained a reserve of energy-saving and carbon-reduction technologies by promoting internal carbon reduction projects. Additionally, we have proactively expanded carbon asset-related businesses to avoid or reduce GHG emissions, thereby building a cleaner and more environmentally friendly future. We also maintain close communication and cooperation with academic institutions, engineering firms, and equipment supply partners both within and outside the industry to jointly explore effective pathways for low-carbon transition. In order to effectively manage carbon emissions generated during the incineration process, the Group's incineration projects have adopted the following measures:

Carbon Reduction Measures Adopted by CEHL's Waste Incineration Projects

1. The combustion process is strictly controlled to prevent the generation of incomplete combustion materials.
2. Air distribution systems are optimized to ensure more complete combustion within the furnace.
3. Biogas is used as an auxiliary fuel to enhance energy efficiency.
4. The aerobic stage is stabilized and fully treated to improve processing outcomes.
5. Technical retrofits on ignition burners are carried out to promote complete waste combustion and maintain furnace temperatures for the thorough destruction of harmful gases.
6. Efforts are made to explore the application of built-in ultrafiltration membrane technology to improve pollutant filtration efficiency.
7. Control technologies and operating management are improved by adjusting operating conditions to ensure flue gas emissions consistently meet standards.
8. Steps are taken to improve the power generation efficiency of waste-to-energy projects, accelerate the transition of cleaning and collection vehicles towards new energy, and actively seek opportunities to use other renewable energy options to reduce fossil fuel consumption.

In 2025, focusing on carbon peak and carbon neutrality goals, CEHL deepened technology cooperation with governments, serving multiple districts and key institutions of Beijing to enhance its low-carbon service capabilities.



Green and Low-Carbon Operations

Adhering to the core philosophy of green development, CEHL aims to become a trusted industry leader in environmental sustainability. Following the principles of "Protection First, Prevention Foremost, Integrated Governance, Public Engagement, and Accountability for Damages," we have consistently expanded our three key green business segments: urban-rural sanitation integration services, municipal solid waste resource recovery services, and environmental remediation. We strive to create a greener and more eco-friendly environment for society while setting a sustainability benchmark in the service sector.

The Group primarily provides urban-rural sanitation integration services. First, we have adopted a management system covering the full process of sorting, collection, storage, transportation, treatment, and utilization to effectively reduce the environmental impact of municipal solid waste, thereby mitigating the pressure on landfills and waste treatment facilities. Second, we offer highly efficient municipal solid waste resource recovery services by deploying technologies such as municipal solid waste incineration and anaerobic treatment of organic waste. Building on our core waste-to-energy business, we have expanded our services to include industrial solid waste treatment and recycling, as well as the treatment of food and kitchen waste, establishing a low-carbon and green business model. Finally, we also provide remediation services for landfills, mines and soil, significantly improving local environments. CEHL remains committed to promoting sustainability models for green businesses to ensure our practices align with environmental protection goals.

Furthermore, Beijing Beijie Energy Design and Research Institute Co., Ltd. ("Beijie Institute"), a key CEHL subsidiary for policy research, planning consultancy, and technical services in energy and low-carbon sectors, provides a wide range of services to government departments and businesses, covering planning diagnosis, scheme design, system operation, and platform development. On one hand, Beijie Institute helps businesses secure subsidy funds to effectively lower the expenditures of green retrofitting; on the other hand, it empowers businesses with technology to establish long-term energy-saving management mechanisms, providing a solid guarantee for sustainable low-carbon operations. In 2025, Beijie Institute successfully assisted the China Central Place cleaner production project in securing RMB 5.71 million in subsidies, and the Hongqiao Market cleaner production project in obtaining RMB 3.72 million in subsidies, providing strong financial momentum for corporate energy-efficiency transformations and contributing expertise to the realization of China's carbon peak and carbon neutrality goals.



Green and Low-Carbon Operations

Improving Environmental Management

CEHL adheres to the philosophy of "Pollution Reduction for Green Growth, Carbon Mitigation for Green Expansion, and Harmonious Integration." Based on our medium-to-long-term development strategy, we actively respond to national green development initiatives. Aiming to co-construct an ecological society, we are dedicated to providing premium environmental services, promoting green and low-carbon development through practical actions, and continuously improving human settlements and the environment.

Environmental Governance System

CEHL remains fully committed to its mission as a comprehensive environmental service provider, consistently placing environmental and resource protection at the heart of its business development. We are acutely aware that our operating projects may impact the surrounding environment and natural resources; for instance, the leakage of hazardous chemicals could result in environmental damage as well as soil and water contamination. In response, each project company has established an environmental leadership group to coordinate the implementation of environmental protection measures and resolve project-related environmental concerns. Safety and environment departments have been set up to oversee the protection of the surrounding ecological environment and ensure compliant operations, minimizing environmental risks through strengthened performance management and robust emergency response plans.

The Group attaches great importance to the environmental impact of its operations and has issued the Environmental Management Measures as the overarching guideline, standardizing environmental management processes for all departments and project companies and providing a clear framework for a robust environmental management system. This is supported by a series of policies and guidelines covering pollution prevention, environmental information management, energy conservation, cleaner production, and environmental emergency response, which establish standard operating procedures for environmental affairs, giving shape to a full-process environmental management system covering source prevention, process control, and end-of-pipe treatment. We exercise strict control over environmental management for all projects, deeply integrating environmental requirements into operations to minimize negative impacts on the environment and natural resources.

Environmental Governance Strategy

As an industry pioneer, CEHL urges all projects to pursue sustained excellence in their environmental performance, improve energy efficiency, and deliver people-centric community services. We strive to transform every waste-to-energy plant into a neighbor-friendly environmental facility, a cornerstone of green energy supply, and a showcase for ecological civilization, contributing CEHL solutions to the high-quality development of the industry and the building of a Beautiful China.



Green and Low-Carbon Operations

Environmental Risk Management

To address the risks of sudden environmental incidents during project operations, the Group has adopted detailed measures through the *Emergency Response Plan for Environmental Incidents*, establishing a timely and transparent reporting mechanism that encompasses real-time remedial measures, long-term follow-up actions, and business improvement plans to reduce pollution and prevent future recurrences. In the event of an incident, project companies can swiftly contact local environmental authorities and government departments, promptly reporting the situation and taking effective measures to minimize impact on the surrounding areas and the environment.

In addition, the Group has released the *Management Measures for Due Diligence of Investment Projects*, conducting comprehensive environmental and social risk assessments prior to investment to ensure necessary permits and EIA reports are obtained before commencement. We strictly comply with relevant environmental laws and regulations and welcome supervision by local environmental authorities, actively subjecting ourselves to oversight measures including continuous online monitoring of environmental emissions, regular sampling and testing, and unscheduled environmental due diligence reviews. This comprehensive monitoring and review system allows us to promptly identify and avoid potential environmental risks, thereby minimizing the environmental impact of project operations.

The Group endeavors to foster a green mindset in the workplace. On one hand, we provide policy training to ensure the effective implementation of relevant policies and guidelines; on the other hand, we offer regular training on energy conservation and environmental protection to help employees better understand and utilize energy-saving equipment.

Metrics and Targets

With the goal of "creating a cleaner and more beautiful living environment," CEHL embraces the principles of "prioritizing ecological protection, adopting prevention-centric strategies, implementing comprehensive governance measures, encouraging public engagement, and assuming accountability for potential environmental damages," providing local governments with comprehensive environmental solutions. We strive to integrate green and low-carbon concepts into every aspect of our business, leveraging our leading role as an environmental service provider to drive green development across the industry.

During the Reporting Period, the Group did not violate any environmental protection laws and regulations, nor did it cause any major accidents affecting the environment and natural resources, or receive any environmental penalties.



Green and Low-Carbon Operations

Strengthening Waste Management

CEHL consistently puts emission reduction at the heart of our business. We have established internal policies such as the Environmental Management Measures to regulate the sorted collection and standardized treatment of solid waste, effluent, and exhaust gas. We are committed to full-lifecycle management of emissions, reducing waste discharges into the air, water and soil through recycling and resource recovery initiatives. Additionally, we regularly calibrate and monitor emission data, maintaining detailed records in monthly production or environmental reports. With respect to supply chain management, we exclusively engage qualified third-party processing agencies and regularly inspect waste transportation records to ensure all waste is handled lawfully and properly.

Solid Waste Treatment

As a specialized environmental service provider in the field of solid waste treatment, CEHL plays a crucial role in integrated waste treatment and resource recovery.

The Group has established a robust system of job responsibilities, operating workflows, and environmental monitoring mechanisms to ensure regular equipment inspection and maintenance. We implement meticulous classification and hierarchical management for pollution emissions, with clearly defined responsibilities for different positions. In 2025, we introduced the *Management Measures for the Co-processing of General Industrial Solid Waste (Provisional)*, a standard document requiring project companies to strictly comply with national regulations for hazardous waste handling, develop detailed management plans and inventories, and collaborate with qualified and government-certified third-party recyclers to ensure proper treatment. Moreover, we have established waste treatment and emission control records, implemented the declaration and registration system for waste emission management, and applied for various discharge permits to ensure the compliant stacking and disposal of waste.

In the treatment and resource recovery of electronic waste, we are committed to the responsible reuse, recycling and management of electronic devices and products in a legal, data-secure and environmentally friendly manner, striving to achieve the goal of "significantly reducing the total volume of e-waste by 2060." Since 2024, influenced by industry policies, we have gradually phased out our electrical appliance dismantling business.



Green and Low-Carbon Operations

Waste from Waste-to-Energy Operations

Hazardous waste generated from waste-to-energy operations includes fly ash, slag and sludge, where slag—an inert residue discharged from incinerators—accounts for over 99% of the hazardous waste generated by operating projects. The Group disposes of hazardous waste such as fly ash, slag and sludge through incineration, landfilling, physicochemical treatment, and comprehensive utilization, while treating non-hazardous waste through various methods, including engagement of professional third parties.

Waste Management Performance

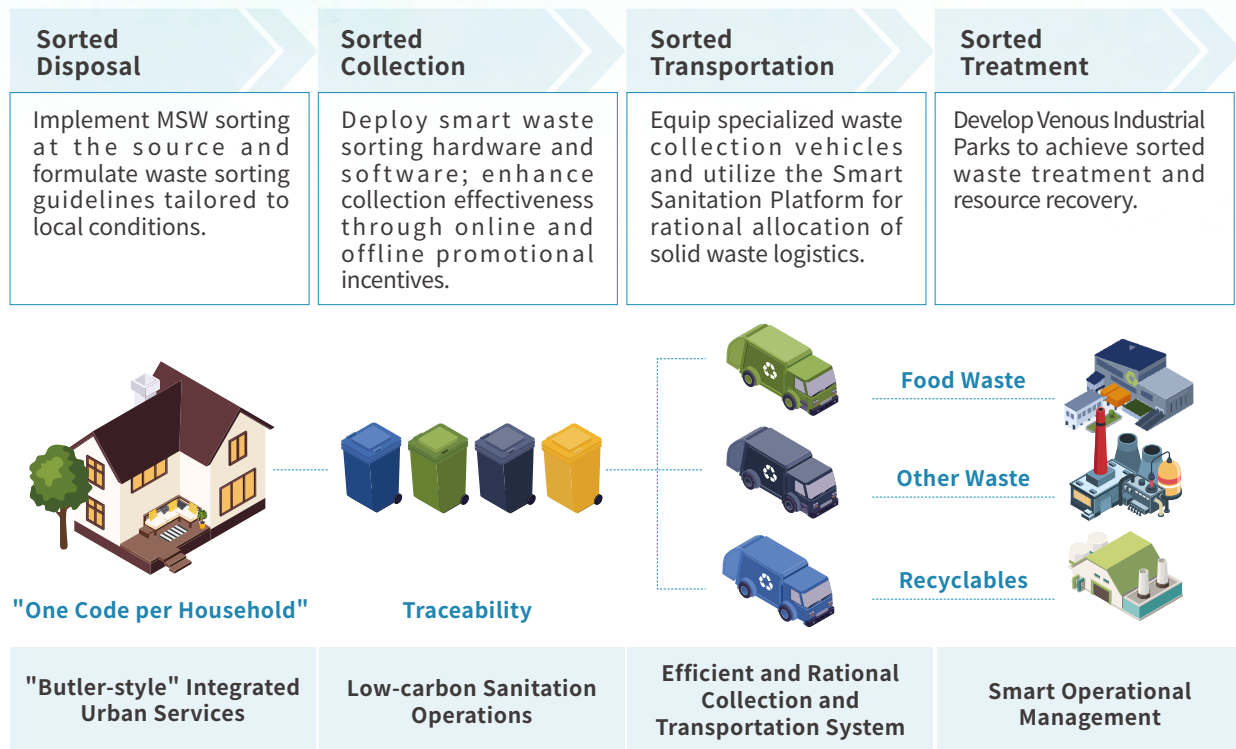
Indicator	2023 Value	2024 Value	2025 Value
Total amount of hazardous waste (tonnes)	114,691,256	118,731,702	1,331,800.08
Hazardous waste intensity (by revenue) (tonnes / RMB 1,000 of revenue)	0.64	0.78	0.54
Total amount of non-hazardous waste (tonnes)	1,921,499	21,209	666,732
Non-hazardous waste intensity (by revenue) (tonnes / RMB 1,000 of revenue)	0.08	0.0009	0.003

CEHL Waste Treatment Measures

1. For incineration projects, we employ direct incineration to ensure effective waste management.
2. For non-incineration projects, we collaborate with qualified waste treatment contractors for waste collection and disposal.
3. Hazardous waste generated during project construction is collected and transported by qualified contractors to prevent environmental pollution.
4. Municipal solid waste generated from anaerobic treatment projects is classified for treatment. Specifically, organic waste is treated using the project's own anaerobic digestion practices, while other types of waste are transferred to third-party contractors for incineration.



Green and Low-Carbon Operations



MSW Incineration for Resource Recovery

The Group is committed to taking a responsible attitude and action in waste treatment to reduce environmental impact, continuously improving waste management during incineration to more efficiently achieve green and low-carbon operation goals. Looking forward, we will continue to control waste generation at all stages, strengthen resource recycling, and further reduce the output of hazardous and non-hazardous waste to promote sustainable environmental development.



Green and Low-Carbon Operations

Encouraging Employees to Reduce Waste at the Source

The Group's waste management policy also applies to daily office premises, aiming to improve resource efficiency and closely monitoring the generation and management of internal waste. We encourage employees to actively participate in resource recovery and implement comprehensive recycling measures across production sites, offices and dormitories, guiding them to consciously recycle paper, metal, plastic and food waste. To prevent illegal waste disposal, all general waste is managed by third-party waste collectors and recyclers.

CEHL Office Waste Reduction and Disposal Measures

1. Use of disposable items is reduced, and employees are encouraged to adopt reusable alternatives, thus cutting down on single-use consumption and waste generation.
2. Waste classification is advocated across offices and living areas. With targeted training and guidelines, employee awareness and participation in waste classification are improved to enable efficient waste recovery and disposal.
3. Hazardous and non-hazardous waste generated during operations is classified, stored and treated to ensure proper waste management and disposal.

To improve waste management efficiency, we have implemented a series of practical measures in operations, while highlighting proper waste management practices to raise environmental awareness and encourage waste reduction at source.



Green and Low-Carbon Operations

Management of Exhaust Emissions

In addressing air pollution, CEHL actively fulfills its corporate responsibilities, committing to improving regional environmental quality and promoting sustainability while minimizing adverse environmental impacts from exhaust emissions.

The Group implements stringent emission control measures to ensure all emission indicators meet or exceed statutory standards. During operations, standard incineration procedures are strictly implemented to ensure that air pollutants generated from waste-to-energy projects, including NO_x, SO_x, and respirable suspended particulates, are discharged in full compliance with national emission standards and environmental regulations, thereby minimizing impacts on the surrounding environment and local communities.

The Group maintains continuous monitoring and management of exhaust emissions, utilizing deployed real-time online monitoring systems to track flue gas emissions and ensure compliance with environmental standards. Digital monitoring is adopted to track project operations. Any detected anomalies are addressed immediately through prompt reporting for timely resolution. This system not only ensures the efficient operation of pollution control facilities but also guarantees that monitoring equipment is in optimal working condition.

To ensure stakeholders can access the environmental performance of our projects anytime and anywhere, the Group has proactively implemented a real-time disclosure mechanism for emission data and environmental management information. In accordance with the environmental management requirements of the Ministry of Ecology and Environment (MEE) of China, the real-time flue gas and temperature data of all operational waste-to-energy projects are integrated into the MEE's automatic monitoring disclosure platform: <https://ljgk.envsc.cn/index.html>.

Waste Gas Management Performance

Indicator	2023 Value	2024 Value	2025 Value
Nitrogen oxides (kg)	2,611,260	3,028,163	2,614,054
Sulphur oxides (kg)	6,121,422	6,481,109	6,403,228
Respirable suspended particulates (kg)	641,690	671,147	678,793



Green and Low-Carbon Operations

Waste-to-Energy Projects

The design and operation of the Group's waste-to-energy projects fully comply with all applicable national environmental regulations and standards. The monitoring frequency for flue gas, heavy metals and other pollutants in our waste-to-energy projects exceeds national requirements. At CEHL, we have adopted an integrated flue gas purification system comprising selective non-catalytic reduction (SNCR), rotary spray towers, an activated carbon injection system, and baghouse filters. This approach ensures that the dioxin concentrations in all flue gas test samples remain below the limits set forth in the Standard for Pollution Control on the Municipal Solid Waste Incineration (GB 18485-2014).

CEHL Exhaust Emission Reduction Measures

Incinerator

Reciprocating mechanical grate furnaces are used, featuring flue gas recirculation and low air-ratio technologies to ensure complete combustion and significantly reduce the generation of hazardous substances.

Flue gas purification

SNCR technology reduces NO_x emissions by injecting reducing agents into the furnace to convert NO_x in the flue gas into nitrogen and water.

Rotary spray tower

Lime slurry is utilized to fully react with acidic gases, removing SO₂ and other acidic gases from the flue gas.

Activated carbon injection system

Hazardous substances, including heavy metals and dioxins, are adsorbed by the system.

Baghouse filter

Dust in the flue gas is efficiently captured to ensure the flue gas emissions meet relevant national standards.



Green and Low-Carbon Operations

Advantages of MSW Incineration for Resource Recovery

Volume Reduction
Resource Recovery
Hazard-free Treatment

Resolve land use and pollution issues with real-time monitoring on the MEE website;

Meet the highest emission standards, including EU 2000 and National Standard GB18485-2014;

Achieve a 97% reduction in waste volume;



Energy Substitution

Waste-to-energy projects meet on-site self-consumption needs;

MSW incineration generates clean electricity fed into the grid;

Clean energy replaces coal-fired power, optimizing the regional energy mix.

Carbon Reduction

Incineration replaces landfilling, reducing methane emissions;

Generate green energy with carbon-negative attributes;

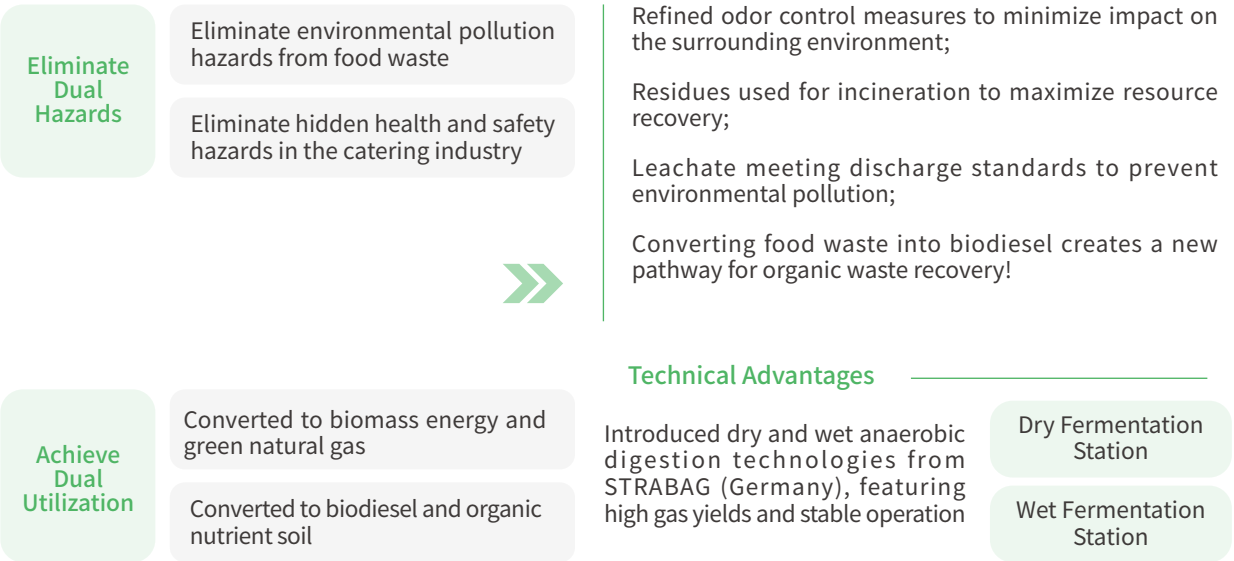
Waste-to-Energy Resource Recovery



Green and Low-Carbon Operations

Comprehensive Biomass Utilization Projects

In addition to waste-to-energy projects, the Group extensively applies technologies including low-nitrogen combustion, flue gas recirculation, SNCR optimization, and active molecule oxidation in its comprehensive biomass utilization projects to achieve clean emissions from biomass combustion. We have adopted a series of rigorous operating procedures, high-frequency testing mechanisms, and refined supervision processes to ensure that air emissions generated during the combustion process meet the *Emission Standard of Air Pollutants for Thermal Power Plants* (GB 13223-2011), relevant local standards, and other requirements specified in the environmental impact assessment reports approved by local governments.



Advantages of Comprehensive Biomass Utilization Projects



Green and Low-Carbon Operations

Case Study: Nanchang Quanling Waste-to-Energy Plant – A Model Project by CEHL

In 2025, CEHL's Nanchang Quanling Waste-to-Energy Plant achieved a reduction of approximately 60% in municipal solid waste across three counties and six districts of Nanchang City. The municipal solid waste is converted into green on-grid electricity through eco-friendly processes, providing strong support for Nanchang's advancement of full-scale incineration and resource recovery.



Nanchang Quanling Waste-to-Energy Plant

Effluent Management

CEHL is committed to reducing environmental impact through efficient wastewater treatment and management practices. Our wastewater primarily originates from industrial wastewater produced during project operations and domestic wastewater from daily office operations. We have adopted the following management measures for different types of effluent:

CEHL Domestic Wastewater Treatment Measures

1. All domestic wastewater is purified by sewage treatment stations, sewage conditioning ponds, or other leachate treatment facilities set up in the plants.
2. The treated domestic wastewater is used for greening of plant facilities.
3. and the remaining wastewater is discharged to municipal sewage treatment plants for further processing, or discharged directly into the municipal pipeline network, ensuring strict compliance with environmental protection standards.



Green and Low-Carbon Operations

Leachate Treatment and Reuse

The Group's waste-to-energy projects employ advanced waste-to-energy technologies to process leachate and domestic sewage strictly in accordance with national water recycling standards. Through facility upgrading, we have optimized our waste leachate and sewage treatment processes by adopting anaerobic treatment and membrane bioreactor (MBR), as well as integrated ultrafiltration, nanofiltration (NF), and two-stage reverse osmosis (RO), achieving full-volume leachate treatment, enhancing effluent quality, and reducing environmental discharges. All treated clean water is fully reused to promote the utilization of urban reclaimed water and comprehensive resource recovery, thus realizing closed-loop resource recovery.

CEHL Treatment of Filtered Effluent

1. Initially filtered effluent is used for greening of plant facilities to support vegetation growth and ecological maintenance.
2. A part of the filtered effluent is used for road sprinkling to keep roads moist and reduce dust.
3. The filtered effluent is also used as circulating cooling water for more efficient water usage.



Leachate
Treatment

Integrated Leachate
Treatment
Equipment

- Self-developed and self-integrated with low capital and operational expenditures
- Stable operation with high water recovery and excellent effluent quality
- COD removal rate >90%, ammonia nitrogen removal up to 99%, stable effluent COD <60mg/L
- Adopting the HDH (Heating and Dehumidification) evaporation process to meet total treatment needs and achieve Zero Liquid Discharge (ZLD)

Reduces ammonia nitrogen below 80 mg/Nm³, with an expenditure increase of only RMB 5 per ton.

Leachate Treatment at CEHL's Waste-to-Energy Projects

Metrics and Targets

Aiming for zero dumping, zero landfilling and zero incineration, the Group strives to develop unique technical routes and business models, creating an integrated system of source reduction, waste sorting, recycling, and harmless terminal disposal to achieve synergies in pollution and carbon reduction. During the Reporting Period, environmental emissions across all CEHL projects fully met regulatory standards.



Green and Low-Carbon Operations

Conservation of Natural Resources

CEHL prioritizes the sustainable utilization of natural resources, implementing measures to improve resource efficiency and reduce the consumption of energy, water, paper, and other resources during operations. We have consistently optimized project workflows to minimize waste while exploring new technologies and methods to facilitate more efficient resource utilization, alleviating the burden on the environment and natural resources.

Use of Energy and Materials

CEHL fully recognizes that energy conservation and efficiency improvement are key to achieving sustainable development. To this end, the Group has established a robust energy management system and assigned dedicated environmental information managers to project companies to record monthly energy and material consumption, aggregating data into a central database. Through data collection and analysis, we accurately track the utilization efficiency of various resources during operations. This enables us to formulate long-term resource management plans, optimize the allocation of energy and materials, maximize efficiency, and carry out refined management over material inventories. These efforts effectively prevent waste and achieve sustained energy savings and consumption reduction.

Resources consumed by the Group's projects primarily include waste, fuels for power generation, and fuel for machinery and vehicles. Committed to green waste-to-energy technologies, we have actively explored waste-to-energy projects and comprehensive biomass utilization projects to deliver top-class municipal solid waste resource recovery services, utilizing self-generated electricity to reduce reliance on purchased non-renewable power and building low-carbon, low-energy demonstration projects.



Green and Low-Carbon Operations

During the Reporting Period, all project companies under the Group actively launched energy-saving and consumption-reduction campaigns and adopted effective energy-saving measures. Furthermore, several projects have independently established energy-saving targets and evaluation systems. Key measures and targets are detailed below:

CEHL Energy Efficiency Measures for Production Activities

1. Obsolete and low-efficiency electrical equipment is phased out, and industrial variable frequency drives (VFDs) are installed on high-power motors to reduce power consumption.
2. Cooling fans of boiler auxiliary burners are retrofitted to reduce the auxiliary power consumption rate.
3. Inspection and removal of ash accumulation in flues is improved to prevent blockages, thereby reducing fan energy consumption.
4. Energy performance of equipment is considered in the procurement process, prioritizing the use of low-energy-consumption equipment and spare parts.
5. On-site wastewater and overflow management is intensified to reduce the frequency of rainwater pump starts, lowering power consumption.

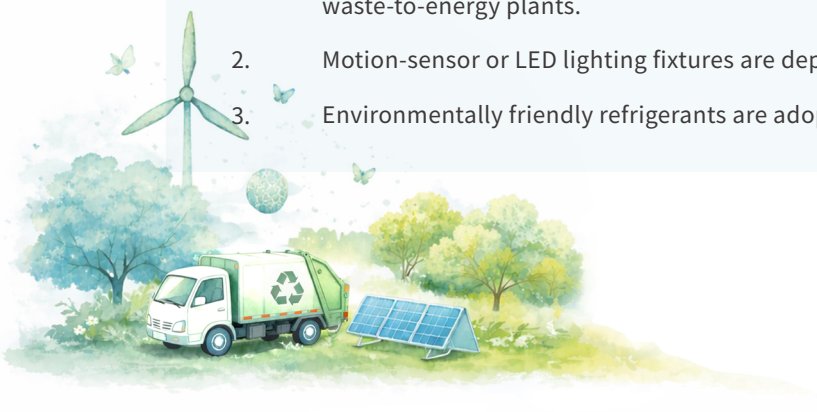
Energy Consumption in Operations

The Group endeavors to improve energy efficiency while maintaining normal operations, making consistent strides toward the goal of energy conservation. To achieve this objective, we have implemented a series of energy-saving measures across our projects to save energy, reduce consumption, mitigate pollution, and improve efficiency, eliminating (or reducing) hazardous substances in products, reducing energy consumption in production, lowering expenditures, and minimizing hazards to human health and the environment.

Additionally, as boiler performance and efficiency are critical factors in various waste treatment projects, the Group has boosted boiler fuel efficiency and reduced energy and material consumption through regular maintenance and advanced energy-saving technologies. In 2025, our 32 projects exported electricity was 2,472,544.6 MWh.

CEHL Energy Efficiency Measures for Production Activities

1. Self-generated electricity from waste incineration is utilized to power the operations of waste-to-energy plants.
2. Motion-sensor or LED lighting fixtures are deployed across facilities.
3. Environmentally friendly refrigerants are adopted.



Green and Low-Carbon Operations

Case Study: Refined Management of the Waste-to-Energy Project at CEHL Huizhou City Company

CEHL Huizhou City Company has implemented refined management of equipment and production operations to safeguard the environment across the Greater Bay Area. The company has thoroughly improved its operational analysis systems, establishing regular analysis mechanisms for key business indicators and nine categories of material consumption metrics to enhance both environmental and economic performance. Full-process technical specifications, mitigation plans, and equipment ledgers encompassing turbine, boiler, electrical, and water treatment systems are dynamically revised to ensure accuracy and effectiveness. Environmental management is reinforced across all stages, including vehicle entry, unloading and storage, incinerator operation, flue gas purification, wastewater treatment, and fly ash disposal. A complete range of information-based intelligent scenarios has been adopted for the management of fly ash, odor, and leachate.

In 2025, the Huizhou Waste-to-Energy Project achieved zero accidents, injuries, pollution, and complaints, demonstrating a brand image of refined management, efficient operation, customer satisfaction and excellent indicators.



Panoramic View of the Huizhou Ecological Environment Park Waste-to-Energy Project

Project companies of the Group have implemented targeted energy-saving measures based on their business realities, adopting specific energy conservation targets and establishing dedicated leadership groups to supervise energy-efficiency efforts. Notably, the Ningbo World Bank-financed food waste treatment project has formulated an energy-saving and emission-reduction plan, including energy efficiency monitoring for key equipment such as magnetic levitation blowers, deodorization fans, biogas purification compressors, and anaerobic stirring compressors, so as to intensify the energy management of major energy-consuming assets.



Green and Low-Carbon Operations

Energy Use in Daily Operations

CEHL is committed to fostering a culture of energy conservation and emission reduction involving all employees, integrating low-carbon and resource-saving concepts into daily office management to improve efficiency.

CEHL Office Energy Conservation Measures

1. Standby or sleep modes are activated on computers; displays are programmed to power down automatically after prolonged inactivity.
2. Personal computers (including displays) are switched off after office hours.
3. Air conditioning temperatures are strictly maintained at or above 26° C in summer and at or below 20° C in winter.
4. Obsolete, low-efficiency air conditioning systems are replaced with high-efficiency alternatives.
5. Energy conservation signage is posted to remind employees to switch off unnecessary lighting.
6. Energy-saving messages are sent to employees via internal communications.

Metrics and Targets

CEHL will actively explore green innovation pathways to create greater value for stakeholders, promote sustainable development, and strive to build a low-carbon and eco-friendly industrial ecosystem.



Green and Low-Carbon Operations

Energy Management Performance

Indicator	2023 Value	2024 Value	2025 Value
Total energy consumption (MWh)	12,758,461	15,340,069	15,516,393
Energy density (MWh / RMB 1,000 of revenue)	5.59	6.37	4.19

CEHL Energy Conservation Targets for Production Activities

1. Continuously reduce power consumption while increasing the proportion of self-generated electricity utilized by projects.
2. Implement technological retrofits for plant lighting systems to adjust switch times based on daylight variations.
3. Improve energy efficiency through electrification, alternative fuels and innovative technologies.
4. Minimize vehicle emissions, fuel consumption and maintenance expenditures.



Green and Low-Carbon Operations

Use of Water Resources

CEHL actively responds to national water use and conservation policies, establishing a series of water-saving requirements within its project management systems to improve the full-process management of water sourcing, extraction, and usage during production activities. Additionally, water usage plans and target management are implemented to minimize consumption and ensure that the water rights of other stakeholders are not compromised.

The freshwater withdrawn by the Group primarily originates from municipal water supplies or other water utilities, followed by rivers, lakes, and groundwater. These are used for cooling units in waste-to-energy and comprehensive biomass utilization projects, as well as for drinking, cleaning, and sanitation in daily operations. For some projects, we utilize municipal reclaimed water to ensure the water supply required for operations. In 2025, we faced no challenges in accessing sufficient water of appropriate quality for our operations.

Governance and Strategy

The Group has established a water-saving management system, taking measures to improve water efficiency, maximize the utilization of limited water resources, and protect the water environment. Project companies have implemented targeted water-saving strategies, with more stringent requirements adopted in regions facing greater water stress. Moreover, a series of effective measures has been introduced to reduce water consumption while improving water efficiency.

CEHL Water Conservation Measures for Production Activities

1. Temperatures of the drainage valves for main steam, feed water, extraction steam, bypass pipelines, and blowdown systems, as well as the turbine casing, are periodically monitored to ensure valve tightness and facilitate the timely detection of leakage.
2. Steam temperature and pressure are regulated to operate near the safety limit and are automatically set at design values whenever possible to minimize cooling water consumption.
3. Condensate from water treatment systems is recycled into the demineralized water tank to save procurement expenditures and prevent waste.
4. High-temperature cooking wastewater, domestic wastewater, plant floor flushing water, and initial rainwater are reused in the quench towers of incineration lines.
5. Integrated self-backwashing effluent is utilized for slag extractors following technical retrofits to conserve water.



Green and Low-Carbon Operations

CEHL Water Conservation Measures for Operating Activities

1. Sensor faucets are installed in restrooms to reduce unnecessary water consumption.
2. Rainwater harvesting systems are constructed for non-potable needs such as irrigation and cleaning.
3. Central air conditioning cooling towers are upgraded to water-saving models to lower consumption.
4. Faucets and pipelines are inspected regularly to ensure zero leakage, with repairs conducted as necessary.
5. Employee awareness of water conservation is heightened through the posting of water-saving signage and awareness campaigns.

Metrics and Targets

The Group has set a water reduction target to significantly decrease water consumption by 2026. We will adopt a series of measures to achieve this target and establish a comprehensive water efficiency improvement plan, defining conservation goals and implementation steps. We will install rainwater harvesting and water recycling systems at project sites, aiming to reduce freshwater demand for cleaning and reuse wastewater, thereby lowering overall water consumption.

CEHL Total Water Consumption

Indicator	2023 Value	2024 Value	2025 Value
Total water consumption (m ³)	7,799,290	9,057,067	9,285,374
Including: Total tap water volume (m ³)	/	/	6,854,048
Total reclaimed water volume (m ³)	/	/	2,431,326
Water consumption intensity (m ³ / RMB 1,000 of revenue)	3.42	3.78	2.50

Advocating Circular Economy

CEHL endeavors to minimize waste generation, actively promoting effective resource utilization and recycling. In managing waste generated by the Reporting Projects, we place particular emphasis on the circular reuse of by-products from various industrial activities, contributing to green city development. For example, slag recovered from waste-to-energy projects is used for brickmaking, ash from biomass combustion is processed into fertilizer, and sludge from domestic sewage treatment is used for composting in landscaping, promoting urban greening.



Green and Low-Carbon Operations

Biodiversity Protection

CEHL consistently practices the development philosophy that "lucid waters and lush mountains are invaluable assets." We have released the *Statement on Biodiversity Conservation* to proactively fulfill our role in ecological protection by strengthening biodiversity management. Furthermore, the Group has established overarching policies, targets, and action plans for biodiversity management to enable more transparent and standardized efforts, thereby promoting the building of an ecological civilization.

The Group strictly follows national and international environmental standards, practicing ecological protection throughout the entire project lifecycle. Prior to project commencement, comprehensive assessments of the local environment and biodiversity status are conducted to evaluate the potential impacts of economic activities. At CEHL, we avoid building facilities near natural habitats and ecologically sensitive areas, establishing ecological buffer zones based on actual conditions to minimize the damage of operations to biodiversity.

During the Reporting Period, the Group identified no significant impact on biodiversity or species listed on the IUCN Red List. Moving forward, we will continue to monitor the potential impacts of our projects on biodiversity.

In addition, the Group continues to expand its site remediation business, leveraging technological and operational advantages to explore niche markets such as landfill remediation, ecological restoration of mines, soil remediation and farmland treatment while advancing technology pipelines and independent R&D upgrades. Through the implementation of the Greening and Afforestation Program, CEHL contributes unique strengths to fortifying ecological safety barriers and building a Beautiful China.

Landfill Remediation & Management

- Pollution Control and Ecological Restoration of MSW Landfills
- Capacity Release and Site Development of MSW Landfills
- Ecological Closure, Maintenance, and Operation of MSW Landfills

Ecological Restoration of Mines

- Ecological Restoration and Site Development of Abandoned Mines
- Comprehensive Utilization and Pollution Control of Bulk Solid Waste
- Comprehensive Land Consolidation and Beautiful Village Development

Farmland Management & Remediation

- Comprehensive Treatment of Saline-Alkali Land
- High-Standard Farmland Development and Smart Agriculture
- Non-point Source Pollution Control and Soil Fertility Improvement



Green and Low-Carbon Operations

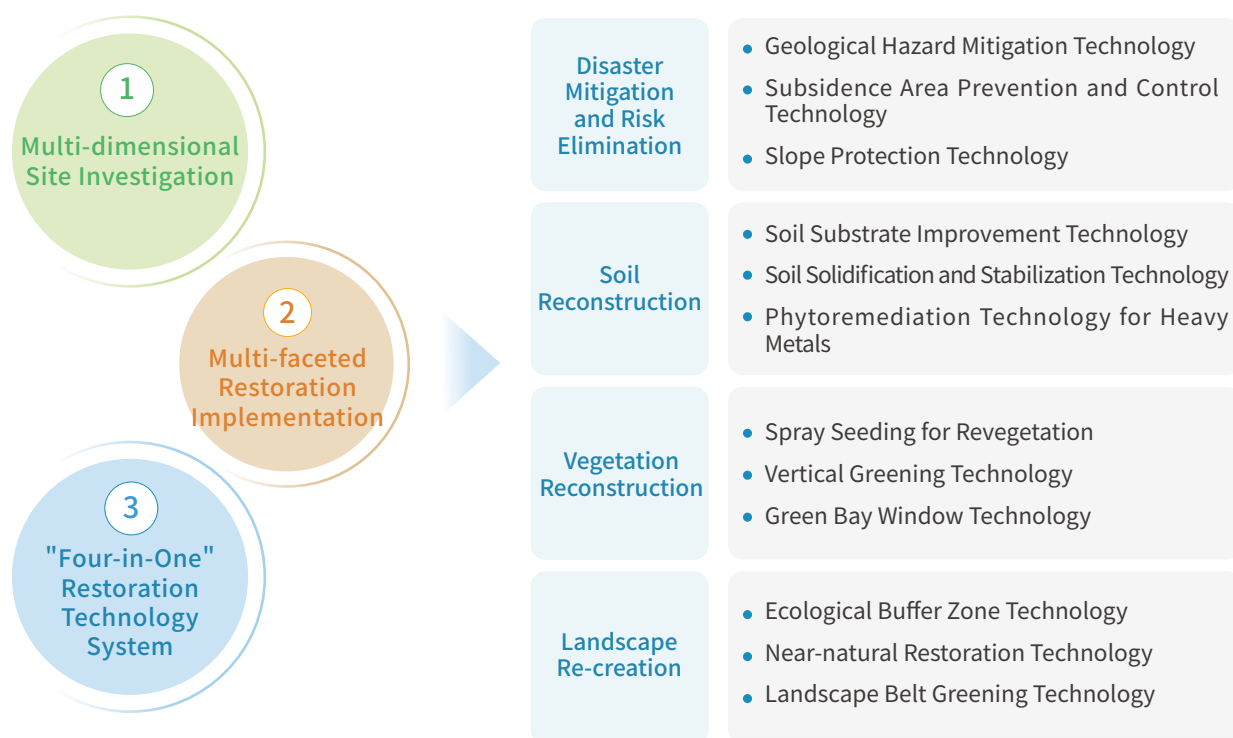
Soil Remediation

- Remediation of Industrially Contaminated Sites
- Groundwater Pollution Remediation
- Environmental Risk Control of Industrially Contaminated Sites

CEHL's Site Remediation Business

During the ecological restoration of mines, we have adopted a new construction process guided by the substrate-vegetation-rock ecological synergy mechanism. New technologies and products, such as ecological substrates and gas-water circulation systems, are applied to the restoration of rocky slopes. An ecological evaluation system centered on vegetation parameters, ecological value, and mechanical stability is adopted to implement streamlined management of slope protection. This effectively improves slope stability and the self-healing capacity of local ecosystems, ultimately achieving long-term, natural and harmonious ecological restoration.

"Four-in-One" Restoration Technology System



Ecological Restoration of Mines



Green and Low-Carbon Operations

Case Study: CEHL Promotes Ecological Restoration of Legacy Mines in Longyang District, Baoshan City

In 2025, CEHL launched the Legacy Mine Ecological Restoration Project in Longyang District, Baoshan City. Covering 3,087.58 mu (approx. 205.84 hectares), the project stands as a key ecological initiative for Baoshan City. Through systematic measures including geological hazard mitigation, land reclamation, forest restoration, and continuous monitoring and maintenance, the project comprehensively addresses ecological issues caused by legacy mines with missing responsible parties, effectively improving regional environmental quality.



Legacy Mine Ecological Restoration Project in Longyang District, Baoshan City



Land Consolidation and Ecological Restoration Construction Project in Tengchong City, Yunnan Province



Collaborative Value Creation

CEHL takes the mutual enhancement of corporate development and social value creation as its core mission. We promote internal and external collaboration throughout our operations, building a diversified value ecosystem that encompasses employees, customers, partners, and communities. By upgrading our management framework, strengthening accountability, and fostering industrial symbiosis, we continue to improve our overall business efficiency and actively respond to era-defining concerns, driving broad, sustainable social progress with corporate actions.

Human Capital Development

CEHL strives to build harmonious, stable and sustainable labor relations. Upholding compliant employment practices, we have implemented systematic employee training and established a robust remuneration and performance incentive system. Additionally, we have maintained diversified communication channels and implemented employee care initiatives alongside occupational health safeguards. Focusing on every aspect of employee well-being, we aim to build a more cohesive organization, laying a strong foundation for both individual growth and high-quality corporate growth.

Compliant Employment

Upholding the principles of fair employment and equal opportunity, CEHL carries out recruitment activities in strict accordance with the *Labor Law of the People's Republic of China* and other relevant regulations. We strictly prohibit any form of child or forced labor and firmly oppose all types of discrimination, ensuring that all employees are treated fairly regardless of their ethnicity, race, gender, religion, or cultural background.

The Group practices localized recruitment, prioritizing the hiring of candidates within a 300 km radius to stimulate local employment and enhance team stability. Furthermore, we standardize employment formats across all project companies by implementing full-time employment and signing labor contracts in accordance with the law. This effectively safeguards employee benefits and legal rights, consolidating the institutional foundation for harmonious labor relations.

CEHL Employee Performance of 2025

Indicator	Unit	2025 Value
Total Employees		2,506
Gender	Female	541
	Male	1,965



Collaborative Value Creation

CEHL Employee Performance of 2025

Indicator	Unit	2025 Value
Rank	Senior management	74
	Middle management	143
	General staff	2,289
Age group	≤ 30	604
	30 to 50	1,574
	>50	328
Employment type	Full-time	2,502
	Part-time	4
Turnover	Total turnover	Persons 195
	Turnover aged ≤ 30	50
	Turnover aged 30 to 50	103
	Turnover aged >50	42
Number of ethnic minority employees		132
Employees with disabilities		Persons 6



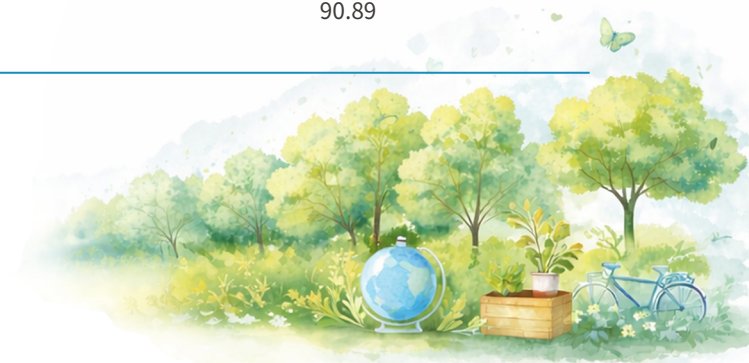
Collaborative Value Creation

Employee Development

Attaching great importance to employee growth, CEHL offers tiered and categorized training based on specific needs. We have issued the CEHL Training Management Measures to build a training system for all employees and implement annual training plans. Relying on a two-category, three-level management model, the Group provides a diverse range of training programs (e.g., onboarding and on-the-job competency enhancement). Meanwhile, we focus on strengthening the development of middle-to-senior management and talent pipelines. Targeted training for managerial staff is offered primarily through internal sessions and online platforms. Participants are required to complete specified credit hours to enhance professional and management skills. Focusing on cultivating internal instructors, operating online platforms, and building a course database, the Group reinforces training resources to provide solid talent support for high-quality development.

CEHL Employee Training Performance

Indicator	2025 Value
Total participants	2,272
Female participants	492
Percentage of female employees (%)	21.65
Male participants	1,780
Percentage of male employees (%)	78.35
Senior management participants	71
Percentage of senior management (%)	3.13
Middle management participants	136
Percentage of middle management (%)	5.99
General staff participants	2,065
Percentage of general management (%)	90.89



Collaborative Value Creation

CEHL Employee Training Performance

Indicator	2025 Value
Total training hours of female employees	15,745
Total training hours of male employees	51,014
Total training hours of senior management	2,808
Total training hours of middle management	5,122
Total training hours of general staff	63,213

CEHL Employee Training System

Trainee	Content
Orientation	Onboarding training Understanding of corporate history, strategic planning, organizational structure, policies and guidelines, and corporate culture.
	Job-specific training Mastery of department and position responsibilities, business workflows, position-specific expertise, confidentiality requirements and safety protocols.
On-the-job competence training	Training for managerial staff Knowledge of business planning, team management, and communication coordination, as well as professional expertise in HR, finance, legal, and Party building and disciplinary inspection.
	Training for non-managerial staff General competencies such as office skills, execution and collaboration, as well as position-specific knowledge (e.g., finance, technology, marketing).



Collaborative Value Creation

Case Study: CEHL Hosts the Third Eagle's Nest Shift Supervisor Training Camp

On April 8, 2025, CEHL held the third Eagle's Nest Shift Supervisor Training Camp, attended by nearly 30 shift supervisors from project companies. The program featured lectures by internal experts focusing on core themes covering operations, equipment, and safety. With a combined approach of lectures, seminars, and field teaching, the camp offered scenario-specific discussions and collaborative outcome creation. This program bolstered the professional skills and management capabilities of the participants, providing talent support for stable production and operation activities.



CEHL Holds the third Eagle's Nest Shift Supervisor Training Camp

Compensation and Performance

CEHL is committed to establishing a fair and impartial performance appraisal system. We have adopted the *CEHL Performance Management Measures* to build a performance management framework for organizations and individuals based on position value, personal ability, and performance contribution.

The Group evaluates the performance of all entities and employees through multi-dimensional appraisals, as well as annual target commitments and process supervision. Appraisal results are directly linked to bonus distribution, salary adjustments, promotions, and position optimization. A feedback and grievance mechanism is also in place to ensure fairness and drive talent efficiency.



Collaborative Value Creation

Benefits System

Strictly complying with national laws and regulations, CEHL has established a basic benefits system centered on the endowment insurance, medical insurance, unemployment insurance, work injury insurance, maternity insurance, and the housing fund. The Group provides diverse supplementary benefits, including annual salaries, various allowances and bonuses, annual health check-ups, supplementary medical insurance, and paid leave, as well as subsidies for transportation, communication, and meals, effectively improving overall welfare and enhancing employees' sense of gain.

Employee Communication

CEHL offers a diverse range of employee communication channels. Leveraging platforms such as employee portals, Party branch heart-to-heart talks, and department manager briefings, the Group has established a normalized feedback mechanism to ensure that employee appeals are conveyed in a timely and effective manner. We maintain smooth communication channels and listen to the voices of employees, providing a solid guarantee for an open, trusting, and harmonious atmosphere.

Employee Care

CEHL advances employee care programs, offering targeted support to vulnerable staff and high-ratio supplementary medical reimbursements to alleviate their financial burden. We strictly implement compensatory leave and ensure that overtime on statutory holidays is paid in accordance with the law. Moreover, the Group regularly invites medical professionals to deliver professional psychological counseling services. Through a series of practical measures, we have improved employee well-being, fostering a harmonious and stable community. In 2025, the total number of female employees (Group), on a consolidated basis, was 762.



Collaborative Value Creation

Employee Care Initiatives

Supplementary medical insurance	High reimbursement ratios are provided to alleviate medical burdens on employees.	Overtime	Triple pay for work on statutory holidays is strictly enforced.
Counseling	Consultations with medical professionals are arranged on an irregular basis.	Fitness facilities	Free gyms and badminton courts within the park are made available for employee use.
Childcare services	Custodial services for employees' children are offered during winter and summer vacations.	Maternal care	Fully equipped mother-and-baby rooms are provided.
Study tours	Study tours to project companies for employees' children are organized.		



Collaborative Value Creation

Occupational Health

CEHL highly values occupational health and safety. We have established occupational health surveillance files to maintain a safe working environment while implementing comprehensive protection measures against occupational diseases. We organize annual health check-ups for all staff after National Day and bear all expenditures to safeguard their well-being. In 2025, CEHL and [] of its subsidiaries were certified under *ISO 45001 Occupational Health and Safety Management Systems*.

Case Study: CEHL Conducts Free Health Screening for Employees

On November 14, 2025, CEHL invited medical staff from the local health center to provide free blood pressure measurements, diabetes screening and other health services for employees. With a focus on employee health, the health screening campaign promoted wellness concepts and improved organizational cohesion and a sense of belonging among employees, demonstrating a people-centered corporate culture.



CEHL Conducts Free Health Screening for Employees



Collaborative Value Creation

Strengthening Occupational Health and Safety

CEHL strictly abides by the *Safety Production Law of the People's Republic of China*, the *Fire Protection Law of the People's Republic of China* and other relevant laws and regulations, integrating the concept of safe development into the entire production and operation process. With a robust work safety management system and emergency response plans in place, the Group implements regular risk screenings, targeted training, and emergency drills to continuously improve the risk prevention and emergency response capabilities of all employees, providing a strong basis for sustainability.

CEHL Safety Management Performance

Indicator	2025 Value
Expenditure on work safety (RMB millions)	31.27
Safety accidents	2
Work-related injuries	5

Safety Management System

CEHL strictly fulfills its primary responsibility for work safety and has established a robust organizational structure. All departments are required to enter into annual work safety target commitments to specify the objectives and requirements in accident prevention, education and training, and system improvement. By breaking down safety responsibilities to specific positions and leveraging commitments and performance appraisal, CEHL ensures that safety management requirements are effectively implemented at the frontline of operating activities, thus consolidating a safe production responsibility system covering all employees. In 2025, we facilitated the signing of 11,057 safety target commitments across 1,716 positions, achieving a 100% signing rate.

The Group continues to advance the development of safe production systems. We have dynamically updated internal policies and guidelines (e.g., the *Measures for Managing Hazardous Operations*) in strict accordance with the *Safety Production Law of the People's Republic of China* and the *Basic Norms for the Standardization of Enterprise Safe Production*. During the Year, we completed the revision of seven policies on safe production.



Collaborative Value Creation

Work Safety Targets

1. Zero Level III and above production safety accidents
2. Zero Level III and above production safety accidents involving relevant third parties
3. Zero Level III and above traffic accidents (with equal or greater responsibility)
4. Zero fire accidents
5. Zero occupational disease incidents
6. Zero environmental pollution incidents

To consistently improve the digital management of safe production and promote the efficient implementation of the safety management system, CEHL has fully integrated 74 projects into the SURELAND system, leveraging digital tools to strengthen risk control and provide solid technical support for work safety.

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Safe Management System



Collaborative Value Creation

Safety Risk Prevention

CEHL systematically advances safety risk prevention work. Strictly implementing the requirements of the 2025 *Work Plan for Hierarchical Risk Control*, we adopted targeted documents such as the *Risk Prevention and Control Manual for Key Positions in Safe Production* and the *Safety Management Manual for Construction Projects*, developing risk control checklists and matrices. These systematic and standardized management tools allow us to comprehensively identify, assess and control risks across all business processes, consistently improving proactive prevention capabilities for safe production.

Severity of Consequences	High	Fire and Explosion (in canteen kitchens, catering and other leased areas) Dormitory Safety (Fire safety and epidemic prevention) Storage and Use of Hazardous Chemicals (Hydrochloric acid, sulfuric acid, sodium hypochlorite, liquid oxygen, carbon sources, etc. used for production) Shuttle Bus Safety	Drowning (Operations near water or edges) Hazardous Operations (Hot work, temporary electricity use, etc.) Water Supply Quality Safety Environmental Pollution Risk (Discharge of solid, liquid, and gaseous waste by polluting enterprises)	Construction Safety (High-risk projects such as foundation pits and trenches, scaffolding, lifting, and emergency repair works) Road Traffic (Sanitation - waste collection and transport, street cleaning, rural sewage inspection, etc.) Hazardous Operations (Confined space, work at heights, live-line work) Fire and Explosion (Hazardous waste warehouses, crushing workshops, etc.) Special Equipment Safety (Boilers, lifting/hoisting equipment, pressure pipelines, and pressure vessels)
	Medium	Occupational Health (Operations involving exposure to dust, high temperatures, noise, etc.)	Mechanical Injury Risk Electric Shock Risk (From live equipment, maintenance work, and inspections) Fire Safety (Including office fire safety, EV charging, electrical appliance use, etc.)	Storage and Use of Hazardous Chemicals Waste Unloading Operations (Waste-to-energy, Landfill) Road Traffic (Business vehicles, road maintenance, sampling, data monitoring, etc.) Object Strike Risk (Overlapping operations, edge work)
	Low		Environmental Pollution Risk (Industrial pollutant discharging units) Bumps, Scratches, Trips, and Burns	Use of Handheld Power Tools
		Low	Medium	High
		Frequency of Occurrence		

CEHL Safety Risk Control Matrix



Collaborative Value Creation

Case Study: CEHL Convenes the Third Session of the Work Safety Committee to Deploy Safety Risk Prevention Efforts

On October 30, 2025, CEHL convened the third annual session of the Work Safety Committee to organize safety risk prevention efforts for the next stage. The meeting stressed the need to strengthen hazard inspection and source governance, advance standardization and emergency response capacity, improve the contingency drill mechanism, and enhance advocacy and education. We strive to build a systematic, normalized safety risk prevention and control framework, thereby maintaining a stable business environment for safe production.



CEHL Conducts Work Safety Committee Meeting



Collaborative Value Creation

CEHL has established a robust, normalized mechanism for hazard inspection and closed-loop governance. The Work Safety Committee organizes monthly plant inspections and daily area-specific patrols. All identified issues are logged into a tracking system with strictly enforced deadlines for remediation and verification. We strictly enforce emergency management requirements by organizing fall-prevention and fire drills throughout the year. Projects are prompted to regularly review and update their emergency response plans and conduct tiered drills to improve their emergency response capabilities.

The Group strictly oversees special equipment in accordance with regulatory requirements, integrating all pressure vessels, cranes, and boilers into the management system and commissioning periodic third-party inspections. We ensure that all special equipment operators hold valid certifications before commencing work, establishing an automated expiration alert system to manage timely renewals. These measures provide a solid basis for operational safety in terms of equipment and personnel.

CEHL Safety Hazard Inspections

Indicator	2025 Value
Company-level Special Inspections on Work Safety	76
Safety inspections	1,381
Hazard rectification percentage	100



Collaborative Value Creation

Case Study: CEHL Ruijin Completes Rectification of Safety Signage for Sewage Well

In October 2025, Ruijin CEHL Green Energy Co., Ltd., a subsidiary of CEHL, conducted a safe production hazard inspection. Addressing the absence of safety signage on onsite sewage manhole covers, the company adhered to the requirement of "immediate inspection and rectification" by adopting standard warning labels in prominent positions on all relevant covers. This inspection and rectification promptly mitigated the risk of absent safety notifications, standardized safety management, and further strengthened onsite risk identification and control capabilities.



Before rectification



After rectification

CEHL Ruijin Completes Rectification of Safety Signage for Sewage Well

Case Study: CEHL Conducts Targeted Inspection of Confined Space Operations at the Nong'an Waste-to-Energy Project

On November 4, 2025, CEHL conducted a targeted safety inspection of confined space operations at the Nong'an waste-to-energy project. The inspection focused on key areas such as confined space management rules, onsite warning signs, operation approval procedures, and protective equipment allocation, issuing rectification requirements for identified issues. This inspection effectively promoted the standardized management of confined space operations at the project, improving its hazard control capabilities.



CEHL Conducts Targeted Inspection of Confined Space Operations at the Nong'an Waste-to-Energy Project



Collaborative Value Creation

Case Study: CEHL Organizes Emergency Drill for Fall-from-Height Accidents

On August 14, 2025, CEHL organized a targeted emergency drill for fall-from-height accidents. Focusing on the risks associated with work at height, the drill thoroughly examined the project's emergency plan response mechanism, onsite command and coordination, and personnel rescue capabilities. It raised awareness of risk prevention and practical emergency response capabilities among frontline workers, providing practical support for safe project operations.



CEHL Organizes Emergency Drill for Fall-from-Height Accidents

Case Study: CEHL Conducts Fire Drill at Project Site

On December 27, 2025, the General Manager of CEHL visited the Gao'antun Construction Waste Project to guide a fire drill for office evacuation and electric tricycle fire response. Centered around workplace evacuation and specific fire-fighting scenarios, the drill improved employees' fire safety awareness and emergency evacuation skills, as well as the project site's rapid response and coordination capabilities for fire emergencies, providing a robust safeguard for safe production.



CEHL Conducts Fire Drill at Project Site



Collaborative Value Creation

Safe Production Training

CEHL prioritizes capacity-building efforts for safe production. We have adopted annual Work Safety Month plans and provided safety training to improve the safety competence and risk prevention capabilities of our workforce. Guided by the objective of "recognizing risks, enabling prevention, and mastering emergency response," we implement specialized, tiered and categorized training. In light of the realities in project operations, we routinely organize targeted activities such as traffic safety alerts, as well as initiatives such as knowledge competitions, case studies, and Safety Lectures by Executives. CEHL continues to reinforce the safety operation and risk prevention capabilities of all employees, facilitating safe production with improved competence. In 2025, we completed 52 safety activity circulars.



CEHL Work Safety Month Activities



Collaborative Value Creation

Case Study: CEHL Launches the Safety Guardian Campaign

In the summer of 2025, CEHL introduced the Safety Guardian Campaign, focusing on traffic safety and fire safety while implementing heatstroke prevention and cooling measures to provide a "safety shield" for frontline workers. As part of this action, senior officers from the Beijing Traffic Police Detachment were invited for a special lecture on traffic safety. In light of Gao'an's traffic conditions, the lecture thoroughly examined typical traffic accidents to offer clear explanations of safe driving protocols for operational vehicles, key risk prevention steps, and emergency response measures, bolstering road safety awareness among employees. Following the lecture, the project immediately organized hands-on fire drills. Under professional guidance, participants learned fire extinguisher techniques and mastered initial-stage fire suppression and emergency evacuation procedures, effectively improving their practical fire safety skills.

Through a holistic model integrating theoretical training, practical drills, and humanistic care, the campaign effectively improved employees' safety awareness and emergency response capabilities, providing a strong guarantee for the project's work safety in summer.



Safety Guardian Campaign

Case Study: CEHL Conducts Fire Drill at Project Site

On November 18, 2025, CEHL conducted a practical fire emergency response drill at the Huizhou WtE Company. Guided by the local emergency rescue team, the drill covered stages including fire detection, information reporting, initial treatment, emergency response, fire suppression, communication support, and logistics. Moreover, the drill verified the feasibility of emergency plans and evaluated operating mechanisms such as firefighting command, practical coordination, and logistical support, strengthening frontline emergency response capabilities and building a solid fire safety framework for the park.



CEHL Conducts Fire Drill at Project Site



Collaborative Value Creation

Case Study: Safety Guardian Campaign at Gao'an Collection and Transportation Project

In the summer of 2025, the CEHL Gao'an Collection and Transportation Project introduced the Safety Guardian special campaign focusing on key areas such as traffic safety, fire emergency response and heatstroke prevention. The campaign invited traffic police for special lectures, conducted fire drills, and distributed heat-relief supplies, improving safety awareness and emergency response capabilities with a combined approach of theoretical training, fire drills and humanistic care.



Safety Guardian Campaign at Gao'an Collection and Transportation Project



Collaborative Value Creation

Sustainable Supply Chain Management

Positioning supply chain management as a critical pillar for sustainability, CEHL has established a systematic, full-process management framework. With a central focus on tiered evaluation and dynamic optimization, we have intensified coordinated operations in access review, process supervision and risk prevention. We have integrated sustainability requirements into our supplier selection system to highlight supply chain resilience, building a green, compliant and efficient supply chain while providing stable and reliable resources for our business.

CEHL Supplier Performance

Indicator	2025 Value
Total suppliers	2,179
Suppliers located in Mainland China	2,126
Suppliers located in Asia (excluding Hong Kong and Mainland China)	53

Supplier Management

CEHL has established a robust supplier management mechanism, executing procurement through an e-commerce platform with a digitalization rate exceeding 80%. We implement an ABCD-tiered evaluation system for suppliers with annual dynamic updates. Shortlisted suppliers are required to pass Credit China compliance screenings, financial audits, and qualification verifications, enabling continuous management optimization and efficient operations. Furthermore, the Group organizes regular supplier meetings to promptly convey management requirements and policy updates, fostering mutual growth.

The Group implements internal policies such as the *Supplier Management Rules and Procurement Management Rules* setting clear qualification thresholds and onboarding audit procedures, with dynamic tiered evaluations based on service quality, price, and contract fulfillment. Moreover, we have established a tiered exit mechanism, imposing warnings, fines, or disqualification on suppliers who violate our policies or fail to meet our quality standards, thereby safeguarding supply chain stability and compliance.

CEHL proactively incorporates material ESG requirements such as safety, environmental protection, and employment responsibility into supplier selection, treating ISO certifications as bonus items and specifying responsibility clauses in contracts. We prioritize eco-friendly material suppliers and monitor carbon emissions during transportation, driving the entire supply chain toward green and sustainable development.

As of the end of 2025, 100% of the Company's Tier 1 key suppliers signed the Letter of Social Responsibility and the Integrity Commitment. All these suppliers obtained ISO 9001, ISO 14001, and ISO 45001 management system certifications.



Collaborative Value Creation



Suppliers Communication

Supplier Supervision

CEHL adopts a multi-tiered supplier supervision mechanism and verifies the qualifications of registered suppliers through its procurement platform, conducting both pre-bid document reviews and post-award field inspections. For maintenance and repair suppliers, we require third-party personnel to hold valid certifications and empower project companies to enforce daily supervision. Additionally, we conduct quarterly performance evaluations to optimize cooperation with suppliers based on feedback from project companies, ensuring compliant supplier conduct and controllable quality.

Supplier Risk Prevention and Control

CEHL places supply chain resilience and integrity management at the heart of its risk prevention efforts. Alternative suppliers and contingency mechanisms are adopted before bidding to mitigate delivery risks, and cross-reviews are implemented to prevent qualification falsification in bidding assessments. We strictly enforce transparent procurement processes, standardize policy descriptions, and strengthen integrity controls to build a secure, reliable, and sustainable supply chain.



Collaborative Value Creation

Commercialization of Technological Achievements

Committed to its technological innovation strategy, CEHL actively responds to national directives, leveraging R&D to pursue technology-driven development. We strive to improve our independent R&D capabilities, build core technological advantages, and drive industrial upgrading and value creation by optimizing our innovation ecosystem and management systems, as well as the mechanisms for transforming and protecting technological achievements.

R&D Management

Pursuing innovation-driven development, CEHL continues to optimize its technological innovation environment and capacity, implementing the *R&D Expenditure Reserve Management Measures* to standardize the whole process of R&D budgeting, accumulation, and utilization. We enforce the principles of designated fund use and independent accounting while establishing a performance-tracking mechanism. R&D expenditure execution is integrated into business performance assessments, injecting momentum into building an innovation hub and promoting high-quality development.

Technological Innovation Achievements

The Group continues to promote the commercialization of technological innovation, accumulating authorized achievements including invention, utility model, and design patents, plus software copyrights. In recent years, our innovation output and research achievements have grown steadily, creating a robust technology portfolio and competitive advantage for sustainability.



CEHL Technological Achievement Certificates



Collaborative Value Creation

CEHL Intellectual Property Management Performance

Indicator	2025 Value
Patents granted in 2025	31
Number of new invention patents granted during the reporting period	8
Number of utility model patents granted during the reportingperiod	23
Cumulative patents granted	275
Invention patents	48
Utility model patents	225
Cumulative software copyrights acquired	30
Newly approved national standards drafted with CEHL contribution	1
Total number of national standards drafted with CEHL contribution	1



Collaborative Value Creation

Intellectual Property Protection

CEHL has established a robust IP management system covering patent consulting, dispute resolution, literature management, and full-process information registration. This provides standardized IP services and application support for headquarters and project companies, streamlining R&D efforts and business activities.

CEHL Intellectual Property Management Mechanisms

Employee inventions

Technical disclosure documents are submitted by employees, and patent applications are filed following preliminary evaluation. When necessary, patent agents and other experts are engaged to determine protection plans.

Patent portfolio and achievement protection

Applications in priority areas are prioritized. Intellectual property rights are applied for prior to public disclosure. Non-patentable inventions are incorporated into trade secret protection.

Pre-innovation and record-filing

Novelty searches are conducted prior to technological innovation. Patent literature is utilized to guide R&D efforts. Projects, archives and personnel are recorded and reported on a regular basis.

Ownership, rewards and cooperation

Employee inventions belong to the Company. Rewards are implemented in accordance with internal policies. Intellectual property clauses are signed for cooperation, with contracts reviewed and filed by the legal department.

Confidentiality and accountability

Leakage or unauthorized transfer of IP is strictly prohibited. Violators are subject to disciplinary action, compensation claims and criminal liability. Accountability is enforced for dereliction of duty resulting in corporate losses.



Collaborative Value Creation

Refining Quality and Services

CEHL prioritizes quality and service in its strategy, building a quality control system and customer service synergy mechanism across the entire production process. We streamline operations through institutionalized and standardized protocols, reinforcing process oversight and dynamic optimization while strictly implementing information security safeguards. In addition to improving product competitiveness and customer satisfaction, CEHL effectively safeguards customer rights and interests, providing a robust foundation for sustainable development.

Strengthening Quality Management

Committed to improving product and service quality, CEHL has implemented a series of internal quality control policies, such as the *Project Operation Management Measures*, to standardize the entire production and operation process. We have strengthened the full-process quality supervision and inspection mechanisms. For outputs like by-products from anaerobic treatment projects, we strictly enforce quality standards and implement dynamic adjustments to ensure consistent quality standards and enhance market competitiveness.

Optimizing Customer Service

CEHL places customer service at the heart of its development, valuing service needs by building diverse communication channels to attend to feedback and respond to demands promptly. Additionally, we have streamlined our customer complaint handling process, ensuring every complaint is resolved in a timely and appropriate manner. Through enhanced employee training, CEHL strives to improve service quality and reduce customer complaints at the source. In 2025, CEHL received zero valid complaints regarding its products and services.



Collaborative Value Creation

Fulfilling Social Responsibility

CEHL consistently integrates social responsibility into its development strategy. We uphold a commitment to "giving back to society" through actions in key areas such as public awareness empowerment, disaster recovery, public service optimization, and rural revitalization. Through first-class operations and diversified welfare initiatives, we have actively responded to public concerns, sharing our developmental success with stakeholders and contributing to social harmony and sustainable development.

CEHL Social Responsibility Performance

Indicator	2025 Value
Total contributions (RMB millions)	2.73
Volunteer visits	117
Volunteering hours	76

Empowering Public Awareness

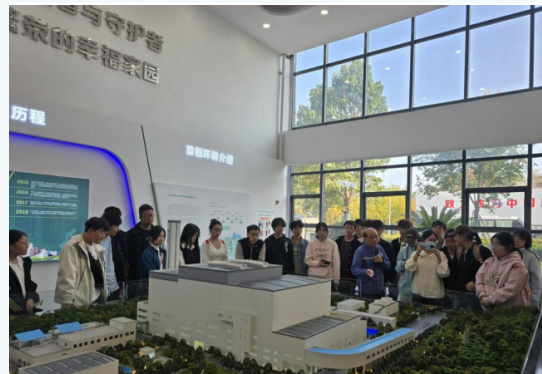
CEHL proactively expands channels for public engagement through regular site tours and internship exchange programs. By opening our environmental protection facilities to the public, we provide transparent access to our workflows and technological achievements. These immersive, onsite educational experiences effectively bridge the gap between technical operations and public perception, securing broader societal support for environmental initiatives while fostering a collaborative atmosphere for collectively building clean and beautiful communities.



Collaborative Value Creation

Case Study: Environmental Education for University Students at Nanyang Waste-to-Energy Project

On October 30, 2025, over 200 faculty members and students in environmental majors at Nanyang Normal University visited the Nanyang waste-to-energy project for an educational tour. During the event, participants gained an in-depth understanding of the waste-to-energy process and its environmental control performance through field observation, as well as the vital significance of the project as a supporting facility for the South-to-North Water Diversion Project in safeguarding water quality. The event promoted university-business exchange and deepened the academic community's understanding of the environmental industry, inspiring young students to pursue environmental protection as a career.



Environmental Education for University Students at Nanyang Waste-to-Energy Project

Case Study: Faculty and Students of Henan University of Urban Construction Visit the Lushan Waste-to-Energy Project

On November 13, 2025, Henan University of Urban Construction organized a visit for its faculty and students to the Lushan Waste-to-Energy Project. The visitors gained insights into the full process of waste treatment, as well as environmental protection processes dealing with flue gas and leachate, recognizing the project's pivotal role in resource circulation and clean energy production. This event deepened their understanding of waste resource utilization and energy recovery, raising public awareness and endorsement of the environmental protection industry.



Faculty and Students of Henan University of Urban Construction Visit the Lushan Waste-to-Energy Project



Collaborative Value Creation

Supporting Post-Disaster Reconstruction

CEHL responds swiftly to natural disasters and other emergencies, deploying resources and personnel to facilitate prompt emergency rescue and disaster recovery. We provide support for environmental cleanup and infrastructure repair, restoring normal work and life for affected communities. Our actions demonstrate corporate responsibility and care, fulfilling our commitment to mutual aid and overcoming difficulties together.

Case Study: CEHL Steps Up in Crisis – Rapid Relief and Reconstruction Support for Rongjiang After Devastating Floods

In June 2025, heavy rainfall led to severe flooding in Rongjiang County, Guizhou Province. Duyun Kelin Environmental Protection Co., Ltd., a CEHL subsidiary, quickly launched an emergency response, deploying equipment like garbage compactors to the disaster zones. Despite water and power outages and secondary disasters, the rescue team cleared over 400 tonnes of garbage and dredged mud from more than 50 road sections, supporting local efforts in post-disaster recovery and reconstruction. This operation demonstrated CEHL's commitment to communities and our "People First" values.



Rapid Relief and Reconstruction Support for Rongjiang After Devastating Floods



Collaborative Value Creation

Case Study: CEHL Supports Post-Disaster Recovery and Reconstruction Following the Xixia Rainstorm

In early July 2025, after historic rainfall in Xixia County, Henan, Nanyang CEHL Environmental Technology Co., Ltd. dispatched a rescue team of key staff and vehicles to Taiping Town, a severely affected area, to aid disaster recovery efforts. In coordination with the local government, the rescue team conducted emergency drainage, mud clearing, road dredging, and comprehensive disinfection. Clearing over 60 truckloads of debris, they helped quickly restore the normal functions of the key areas, providing strong support for post-disaster reconstruction and environmental restoration.



Post-Disaster Recovery and Reconstruction Following the Xixia Rainstorm

Improving Public Services

CEHL has optimized workflows and service standards to improve operating efficiency and service quality for core businesses such as waste collection and transportation and environmental governance. We have introduced smart management tools and strengthened the training of frontline workers to improve urban and rural living environments. CEHL responds to community demands with high-quality public services, enhancing the public's sense of gain and fulfilling our core mission as an environmental service provider.



Collaborative Value Creation

Case Study: Linyi Collection and Transportation Fleet Receives Silk Banner for High-Quality Service

On July 10, 2025, Fleet No. 9 of the Linyi Collection and Transportation Project was awarded a silk banner by the Party Branch and Village Committee of Panjiazhuang Village, in recognition of efficient and punctual waste collection and transportation services. With a daily waste volume of approximately 2 tonnes, fleet driver Li Bingyou and sanitation workers Wang Feng and Chen Tiejun have consistently ensured daily clearance without a single day off year-round, safeguarding the village's environmental hygiene with first-class services. This honor showcases the professional dedication of our general staff, demonstrating the active role of state-owned enterprises in serving people's livelihoods and building beautiful villages.



Linyi Collection and Transportation Fleet
Receives Silk Banner for High-Quality Service

Supporting Rural Revitalization

CEHL is deeply committed to rural revitalization, investing in infrastructure such as road repair, drinking water safety, and ecological restoration. In light of local priorities, we have launched targeted assistance projects to modernize rural production and living environments. This approach fosters a virtuous cycle between ecological livability and industrial growth, creating sustained momentum for the modernization of agriculture and rural areas, as well as the realization of shared prosperity.

Case Study: CEHL Empowers Construction of the Changyi Lihua Water Town Rural Revitalization Demonstration Zone

In February 2025, CEHL won the bid for the provincial demonstration zone project of the Lihua Water Town Rural Revitalization in Changyi City, Shandong Province. Centered on key tasks such as illumination engineering, beautiful village construction, ecological restoration, and industrial upgrading, the project drives comprehensive rural development to create a modernized demonstration area led by ecological and cultural tourism. This bid reflects our commitment to social responsibility and regional cooperation, contributing professional expertise to rural revitalization and sustainable development.



Rendering of the Changyi Lihua Water Town Rural
Revitalization Project



Appendix I: Summary of Key Performance Indicators

Workforce

Category	Sub-category	Central China	South China	East China	Southwest China	North China	Total
Region	-	1,029	96	958	146	277	2,506
Gender	Male	796	84	743	120	222	1,965
	Female	233	12	215	26	55	541
Age group	≤ 30	284	21	193	31	65	594
	30 to 50	635	67	567	108	197	1,574
	>50	100	8	198	7	15	328
Employment levels	Senior management	28	1	33	4	8	74
	Middle management	62	5	54	7	15	143
	General staff	939	90	871	135	254	2,289
Employment type	Full-time staff	1,029	96	958	146	277	2,506
	Part-time staff	0	0	0	0	0	0
Number of newly hired employees	Gender Male	71	1	79	8	60	219
	Gender Female	23	0	28	1	20	72



Appendix I: Summary of Key Performance Indicators

Category	Sub-category	Central China	South China	East China	Southwest China	North China	Total	
Number of newly hired employees	Age group	≤ 30	59	1	52	3	9	124
		30 to 50	31	0	44	5	5	85
		>50	4	0	11	1	0	16
Number of employee departures	Gender	Male	71	0	70	7	16	164
		Female	10	0	14	2	5	31
	Age group	≤ 30	23	0	21	3	4	51
		30 to 50	47	0	37	3	16	103
		>50	11	0	27	3	1	42
	Number and percentage of employees from vulnerable groups	Ethnic minority	58	2	5	62	5	132
Persons with Disabilities		0	0	6	0	0	6	

Note: 1. Part-time staff refers to workers whose work or workplace is controlled by CEHL other than those directly employed by the Company (e.g. cleaning, security, property, and maintenance personnel).

2. In the PRC, ethnic minorities refer to the 55 legal ethnic groups other than the Han, such as the Miao and Buyi ethnic groups.



Appendix I: Summary of Key Performance Indicators

Health and Safety

Category	Sub-category	Central China	South China	East China	Southwest China	North China	Total
Work-related injuries	Male	0	0	3	0	0	3
	Female	0	0	2	0	0	2
Work-related fatalities	Male	0	0	0	0	0	0
	Female	0	0	0	0	0	0
Employees infected with occupational diseases	Male	0	0	0	0	0	0
	Female	0	0	0	0	0	0
Staff providing high-risk services	-	605	70	222	106	219	1,222
Lost days due to work-related injuries or occupational diseases	Male	0	0	165	0	0	165
	Female	0	0	52	0	0	52



Appendix I: Summary of Key Performance Indicators

Training Statistics

Category	Sub-category		Central China	South China	East China	Southwest China	North China	Total
Participants	Gender	Male	625	84	729	120	222	1,780
		Female	191	12	208	26	55	492
	Job rank	Senior management	26	4	29	4	8	71
		Middle management	56	5	53	7	15	136
		General staff	734	87	855	135	254	2,065
Training hours	Gender	Male	17,125	4,608	24,169	1,965	3,147.2	51,014.2
		Female	5,261	576	8,320	474	1,114	15,745
	Job rank	Senior management	838	168	1,228	66	508	2,808
		Middle management	1,611	260	2,569	141	541	5,122
		General staff	19,887	4,756	32,361	2,241	3,968.2	63,213.2
Number of employees receiving regular performance and career development review	Gender	Male	504	84	427	120	222	1,357
		Female	145	12	147	26	55	385
	Job rank	Senior management	18	1	26	4	8	57
		Middle management	44	5	48	7	15	119
		General staff	587	90	665	135	254	1,731



Appendix I: Summary of Key Performance Indicators

Supply Chain Management Statistics

Category	Central China	South China	East China	Southwest China	North China	Total
Suppliers located in Mainland China	1,168	88	531	26	313	2,126
Suppliers located in Asia (excluding Hong Kong and Mainland China)	0	0	23	30	0	53

Statistics on Operations and Product Responsibility

Category	Central China	South China	East China	Southwest China	North China	Total
Non-compliance in relation to health and safety products and services	Number of events	0	0	0	0	0
Recall rate		0	0	0	0	0
Number of complaints about products and services	Number of events	0	0	0	0	0
Substantiated complaints about breaches of customer privacy or losses of customer data	Number of events	0	0	0	0	0
Legal proceedings against unfair competition, antitrust, and antitrust practices	Number of events	0	0	0	0	0



Appendix I: Summary of Key Performance Indicators

Statistics on Community Investment

Category	Unit	Central China	South China	East China	Southwest China	North China	Total
Number of employees		18	80	0	0	19	117
Service hours rendered		72	4	0	0	0	76

Air emissions and type	2023 Value	2024 Value	2025 Value
Nitrogen oxides (kg)	2,611,260	3,028,163	2,614,054
Sulphur oxides (kg)	6,121,422	6,481,109	6,403,228
Respirable suspended particulates (kg)	641,690	671,147	678,793

GHG emissions	2023 Value	2024 Value	2025 Value
Total GHG emissions (Scope 1, 2 and 3) (tCO ₂ e)	1,767,629	2,127,638	2,648,723
Scope 1 (tCO ₂ e)	1,753,532	2,113,445	2,628,970
Scope 2 (tCO ₂ e)	14,049	14,127	13,753
Scope 3 (tCO ₂ e)	48	66	59
GHG emissions (Scope 1, 2, and 3) (tCO ₂ e/RMB 1,000 of revenue)	0.77	0.88	0.61



Appendix I: Summary of Key Performance Indicators

Total amount of hazardous waste	2023 Value	2024 Value	2025 Value
Total amount of hazardous waste (tonnes)	1,469,256	1,873,702	1,988,987
Hazardous waste intensity (by revenue) (tonnes / RMB 1,000 of revenue)	0.64	0.78	0.54
Total amount of non-hazardous waste	2023 Value	2024 Value	2025 Value
Total amount of non-hazardous waste (tonnes)	192,499	2,209	9,770
Non-hazardous waste intensity (by revenue) (tonnes / RMB 1,000 of revenue)	0.08	0.0009	0.003
Total energy consumption	2023 Value	2024 Value	2025 Value
Total energy consumption (MWh)	12,758,461	15,340,069	15,516,393
Energy intensity (by revenue) (MWh / RMB 1,000 of revenue)	5.59	6.37	4.19
Total water consumption	2023 Value	2024 Value	2025 Value
Water consumption ¹⁹ (m ³)	7,799,290	9,057,067	9,285,374
Water intensity (by revenue) (m ³ /RMB 1,000 of revenue)	3.42	3.78	2.50

Notes: 1. Operations of the Reporting Projects did not involve the consumption of packaging materials 2. In 2024, non-hazardous waste reporting covered only office and household waste, which led to a significant decrease in the reported amount generated.



AppendixII: Indicator Index

United Nations Sustainable Development Goals (UN SDGs)

The Group fully recognizes the significance of integrating the United Nations Sustainable Development Goals (SDGs) into daily operations and business strategies for sustainability. We have identified 12 SDGs closely related to our business. These goals align with and advance our sustainability strategy across business operations, environmental protection, and employee and community development. Their relevance to the Group's development is detailed below.

SDGs	Practices in the social dimension
	We encourage project companies and employees to actively participate in charitable donations and community public welfare activities. In 2025, our total donations amounted to RMB 2.734 million.
	Municipal solid waste resource recovery, which is our core business, effectively improves local sanitation and reduces disease transmission risks.
	We actively organize environmental education and regular facility tours. In 2025, the Ningbo Food Waste Project hosted study tours as part of our university-business collaboration. Notably, the project serves as the implementing entity for the World Bank-financed Food Waste Terminal Treatment PPP Project and the GEF-funded Phase V Green Building Pilot Project.
	We uphold equal employment, diversity, and anti-discrimination, ensuring all employees are treated fairly regardless of ethnicity, race, gender, religion, or cultural background. In 2025, we provided 6 job positions for persons with disabilities.
	We provide waste incineration and biomass power generation services, producing clean energy to reduce reliance on thermal power and landfills.



Appendix II: Indicator Index

SDGs

Practices in the social dimension



Waste-to-energy projects remain one of our main businesses. We have adopted world-leading incineration technologies and implemented independent R&D and innovation efforts to provide green and efficient full-process waste-to-energy services.



We value stakeholder feedback, establishing open dialogue and effective communication with diverse internal and external stakeholders.

SDGs

Practices in the environmental dimension



We closely monitor the environmental impact of our suppliers, prioritizing those with environmental and occupational health and safety certifications. Hazardous wastes from operations, such as fly ash and slag, are handed over to qualified third parties for proper disposal.



Our waste-to-energy business offers an alternative to traditional fossil fuel power generation. Biogas recovered from food waste treatment reduces fossil fuel reliance, cuts carbon emissions, and promotes resource circulation, offering effective climate change solutions.



Leachate and wastewater from integrated MSW projects and food waste treatment projects are properly treated to meet local standards for compliant discharge.



Our main business, waste-to-energy projects, significantly reduces reliance on landfills, generating renewable energy while minimizing land use and ecological damage.



Appendix II: Indicator Index

Content Index of the SEHK ESG Reporting Code and GRI Standards

GRI Standards	ESG Dimension	Description	Report Chapter and/or Other Explanations
GRI2-1 GRI2-2 GRI2-3 GRI2-4 GRI2-5	Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	Sustainable Operations Management
Reporting Principles		A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: Materiality, Quantitative and Consistency.	Report Overview
Reporting Boundary		A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	Reporting Boundary



Appendix II: Indicator Index

Part C: "Comply or explain" Provisions			
GRI Standards	ESG Dimension	Description	Report Chapter and/or Other Explanations
Environmental (Disclose or explain)			
Aspect A1: Emissions			
GRI3-3 GRI305 GRI307	General Disclosure	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Strengthening Waste Management
GRI305-1 GRI305-2 GRI305-3 GRI305-6 GRI305-7	A1.1	The types of emissions and respective emissions data	Strengthening Waste Management
GRI306-3	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	Solid Waste Handling
GRI306-3	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	Solid Waste Handling
GRI3-3 GRI305-5	A1.5	Description of emission reduction measures adopted and progress achieved.	Solid Waste Handling
GRI3-3 GRI306-4 GRI306-5	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of emission reduction measures adopted and progress achieved.	Solid Waste Handling



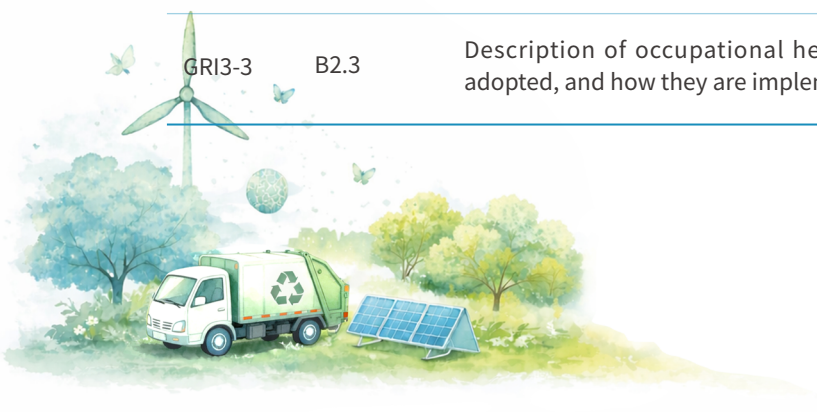
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GRI Standards	ESG Dimension	Description	Report Chapter and/or Other Explanations
Environmental (Disclose or explain)			
Aspect A2: Use of Resources			
GRI3-3 GRI301 GRI302 GRI303	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Valuing Natural Resources
GRI302-1 GRI302-3	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).	Use of Energy and Materials
GRI303-5	A2.2	Water consumption in total and intensity (e.g., per unit of production volume, per facility).	Use of Water Resources
GRI3-3 GRI302-4 GRI302-5	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Use of Energy and Materials
GRI3-3 GRI303	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.	Use of Water Resources
GRI301-1	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Use of Energy and Materials
Aspect A3: The Environment and Natural Resources			
GRI3-3	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Biodiversity Protection
GRI3-3 GRI303 GRI304 GRI306	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Biodiversity Protection



Appendix II: Indicator Index

GRI Standards	ESG Dimension	Description	Report Chapter and/or Other Explanations
Social (Disclose)			
Aspect B1: Employment			
GRI3-3 GRI401-2 GRI405 GRI406	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Compliant Employment
GRI2-6 GRI2-7	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Compliant Employment
GRI401-1a GRI401-1b	B1.2	Employee turnover rate by gender, age group and geographical region.	Compliant Employment
Aspect B2: Health and Safety			
GRI3-3 GRI403	General Disclosure	Information on: (a) the policies; (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.	Occupational Health
GRI403-9	B2.1	Number and rate of work-related fatalities.	Strengthening Occupational Health and Safety
GRI403-9	B2.2	Lost days due to work injury.	Strengthening Occupational Health and Safety
GRI3-3	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Occupational Health



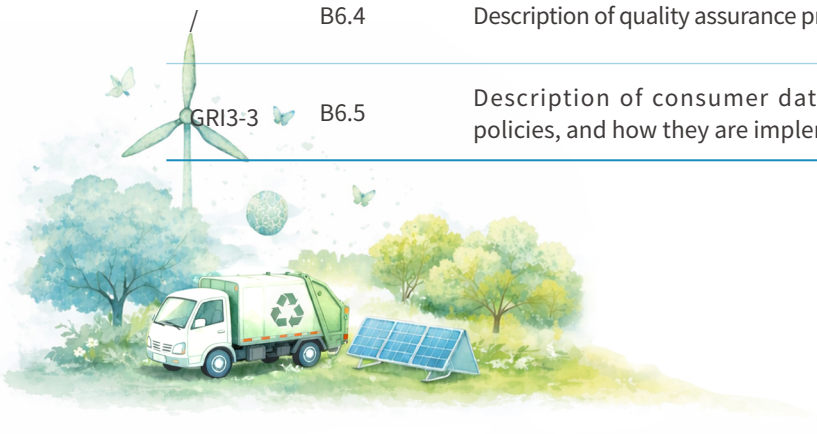
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GRI Standards	ESG Dimension	Description	Report Chapter and/or Other Explanations
Social (Disclose)			
Aspect B3: Development and Training			
GRI3-3	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Employee Development
/	B3.1	The percentage of employees trained by gender and employee category.	Employee Development
GRI404-1	B3.2	The average training hours completed per employee by gender and employee category.	Employee Development
Aspect B4: Labor Standards			
GRI3-3 GRI408 GRI409	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	Compliant Employment
GRI3-3 GRI408-1c	B4.1	Description of measures to review employment practices to avoid child and forced labor.	Compliant Employment
GRI3-3 GRI409-1b	B4.2	Description of steps taken to eliminate such practices when discovered.	Human Capital Development



Appendix II: Indicator Index

GRI Standards	ESG Dimension	Description	Report Chapter and/or Other Explanations
Social (Disclose)			
Aspect B5: Supply Chain Management			
GRI3-3 GRI308 GRI414	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supplier Risk Prevention and Control
GRI2-6	B5.1	Number of suppliers by geographical region.	Sustainable Supply Chain Management
GRI3-3	B5.2	Description of practices relating to engaging suppliers, the number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supplier Management
Aspect B6: Product Responsibility			
GRI3-3 GRI206 GRI416 GRI417 GRI418	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Refining Quality and Services
/	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Strengthening Quality Management
GRI2-29 GRI3-3 GRI418	B6.2	Number of products and service-related complaints received and how they are dealt with.	Optimizing Customer Service
/	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Optimizing Customer Service
	B6.4	Description of quality assurance process and recall procedures.	Strengthening Quality Management
GRI3-3	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Optimizing Customer Service



Appendix II: Indicator Index

GRI Standards	ESG Dimension	Description	Report Chapter and/or Other Explanations
Social (Disclose)			
Aspect B7: Anti-corruption			
GRI2-27 GRI3-3 GRI205-3	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-Corruption Policies
GRI205-3	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.	Anti-Corruption and Clean Governance Construction
GRI2-26 GRI3-3 GRI205	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-Corruption Reporting Channels
GRI205-2	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Anti-Corruption and Clean Governance Construction
Aspect B8: Community Investment			
GRI3-3 GRI413	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Fulfilling Social Responsibility
GRI203-1	B8.1	Focus areas of contribution.	Fulfilling Social Responsibility
GRI201-1	B8.2	Resources contributed to the focus area.	Fulfilling Social Responsibility



Appendix II: Indicator Index

Part D: Climate-related Disclosures			
GRI Standards	ESG Dimension	Description	Report Chapter and/or Other Explanations
GRI305-1 GRI305-2 GRI305-4	(I) Governance	An issuer shall disclose information about: (a) the governance body(s) or individual(s) responsible for oversight of climate-related risks and opportunities; and (b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	Addressing Climate Change & Carbon Emissions Management
	(II) Strategy	Climate-related risks and opportunities: An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Business model and value chain: An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Strategy and decision-making: An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation, and information about the progress of such plans and how the issuer is resourcing, and plans to resource, such plans.	Addressing Climate Change & Carbon Emissions Management



Appendix II: Indicator Index

GRI Standards	ESG Dimension	Description	Report Chapter and/or Other Explanations
GRI305-1 GRI305-2 GRI305-4	(II) Strategy	Financial position, financial performance and cash flows— Current financial effect: An issuer shall disclose qualitative and quantitative information about how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period, and the qualitative and quantitative information for which there is a significant risk of a material adjustment to the carrying amounts of assets and liabilities reported in the related financial statements. Anticipated financial effect: The issuer shall provide qualitative and quantitative disclosures about how the issuer expects its financial position, financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	Addressing Climate Change & Carbon Emissions Management
		Climate resilience: An issuer shall disclose information about the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, and use climate-related scenario analysis to assess its climate resilience.	Addressing Climate Change & Carbon Emissions Management
	(III) Risk Management	An issuer shall disclose information about the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks and opportunities.	Addressing Climate Change & Carbon Emissions Management
	(IV) Metrics and Targets	Climate-related transition risks, physical risks, and opportunities: An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related risks and opportunities.	Addressing Climate Change & Carbon Emission



Appendix II: Indicator Index

GRI Standards	ESG Dimension	Description	Report Chapter and/or Other Explanations
GRI305-1 GRI305-2 GRI305-4	(IV) Metrics and Targets	Climate-related transition risks, physical risks, and opportunities: An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related risks and opportunities.	We are building a climate risk identification and quantitative assessment framework, gradually improving the data collection and analysis capabilities for affected assets to ensure the accuracy and comparability of future disclosures.
		Internal carbon prices: An issuer shall disclose an explanation of whether and how the issuer is applying a carbon price in decision-making, or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	We are establishing effective statistical calibers and accounting methods for climate-related investment and financing to continuously enhance data management and disclosure capabilities.
		Internal carbon prices: An issuer shall disclose an explanation of whether and how the issuer is applying a carbon price in decision-making, or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	We are exploring an internal carbon pricing mechanism to support future strategy formulation.
		Remuneration: An issuer shall disclose how climate-related considerations are factored into remuneration policy, or an appropriate negative statement that climate-related considerations are not factored into remuneration policy.	Sustainable Operations Management



Appendix II: Indicator Index

GRI Standards	ESG Dimension	Description	Report Chapter and/or Other Explanations
GRI305-1 GRI305-2 GRI305-4	(IV) Metrics and Targets	Industry-based metrics: An issuer shall consider industry-based disclosure requirements under international ESG reporting frameworks and make disclosures that the issuer deems appropriate. Climate-related targets: An issuer shall disclose any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. An issuer shall also disclose more detailed information about its approach to setting and reviewing climate-related targets, as well as information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance. Where an issuer has yet to set and disclose climate-related targets, such issuer is encouraged to provide information on the work plan, progress and timetable for setting and disclosing climate-related targets. Applicability of cross-industry metrics and industry-based metrics: An issuer shall refer to and consider the applicability of cross-industry metrics and industry-based metrics.	Indicator Index & KPIs Summary With long-term climate-related targets identified, we are examining scientific and quantifiable short- and medium-term climate-related targets while improving the mechanisms for managing and tracking these targets. We will continue to assess the applicability of cross-industry metrics to our specific business operations.



Appendix III : Independent Assurance Statement



Independent Assurance Statement

China Chengxin Green Finance Technology (Beijing) Co., LTD. (hereinafter referred to as "CCXGF") was entrusted by Capital Environment Holdings Limited (hereinafter referred to as "CEHL" or "the Company") to verify the sustainability information disclosed in CEHL's 2025 Sustainability Report (hereinafter referred to as the "ESG Report"). And disclose the assurance results to the users of the ESG Report in the form of an independent assurance statement.

(1) Independence and competence

CCXGF is an independent third party specializing in green financial services. The audit team is composed of professionals in the ESG industry and has a thorough understanding of the AA1000ASv3 standard, and is capable of conducting ESG audits. Members of the CCXGF Audit Team have no business relationship with CEHL and its directors and senior management, and under the control of measures such as internal firewall isolation of CCXGF, there is no conflict of interest with CEHL, which can ensure the independence of this audit work.

(2) Responsibilities of CEHL

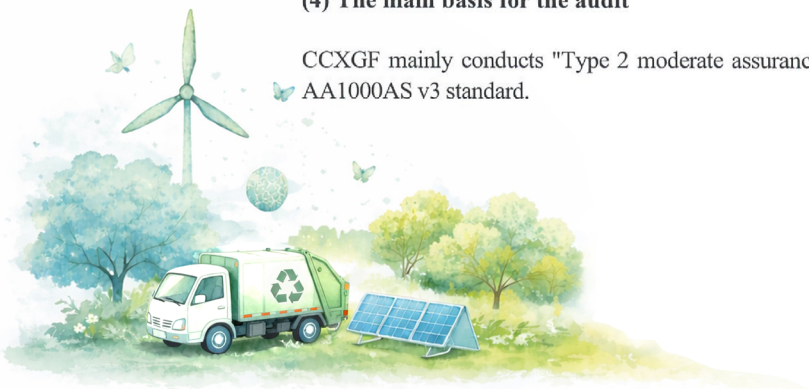
When preparing the ESG report, CEHL focused on the Environmental, Social and Governance Reporting Guide under the Main Board Listing Rules of SEHK. In addition, in order to enhance the level of report disclosure, this Report also refers to the GRI Standards 2021 issued by the Global Reporting Initiative, while focusing on industry background and highlighting corporate characteristics, and in accordance with the agreed content and scope of the assurance with the assurance body, provide the assurance body with the necessary documents and materials for the assurance, establish an appropriate management and monitoring system for assurance performance indicators, and ensure the consistency of verified performance data in subsequent disclosure documents.

(3) Responsibilities of the assurance body

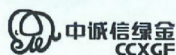
It is the responsibility of CCXGF to verify the relevant matters within the scope of the ESG report of CEHL in accordance with the assurance standards, in accordance with the agreed assurance content and scope with CEHL, to reasonably evaluate the assurance content through the implementation of necessary assurance procedures and internal control assurance procedures, and to issue an independent assurance statement to the board of directors of CEHL for no other purposes.

(4) The main basis for the audit

CCXGF mainly conducts "Type 2 moderate assurance" of the CEHL ESG report based on the AA1000AS v3 standard.



Appendix III : Independent Assurance Statement



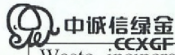
(5) Assurance content and scope

- Verify the extent to which the ESG report prepared by CEHL adheres to the four principles of AA1000 (inclusion, substance, responsiveness, and impact) based on the type and depth of assurance;
- Assess the reliability and quality of some specific performance information in the report;
- The scope of the assurance mainly covers 32 operating projects of CEHL in the Chinese Mainland that had been completed and put into operation by 2025 (referred to hereafter as the "Reporting Projects"). Project types mainly include: 1) sanitation integration, 2) waste-to-energy ("WtE"), and 3) anaerobic treatment of organic waste. Some of the indicators covered CEHL together with its subsidiaries (collectively, the "Group").
- The 32 key projects are listed in the table below:

Project Names	
The Integrated Project of Municipal Solid Waste Treatment Facilities in Guangchang County, Fuzhou City, Jiangxi Province	Waste-to-Energy Project in Qi County, Henan Province
Waste-to-Energy Project in Duchang County, Jiujiang City, Jiangxi Province	Biomass power generation and heating project in Qi County, Kaifeng City, Henan Province
Waste-to-Energy Project in Duyun, Guizhou Province	Waste-to-Energy Project in Ruijin City, Jiangxi Province
Hongmiaoling Kitchen Waste Treatment Project in Fuzhou City, Fujian Province	Waste incineration project in Shenzhou City, Hebei Province
Waste-to-Energy Project in Gao 'an City, Jiangxi Province	Shicheng County, Jiangxi Province Integrated Urban and Rural Waste Treatment Project
Anaerobic treatment of kitchen waste in Xiaoshan, Hangzhou, Zhejiang Province	Suixian Municipal Solid Waste Power Generation Project, Henan Province
Waste-to-Energy Project in Qianjiang City, Hubei Province	Municipal solid Waste-to-Energy Project in Suichuan County, Jiangxi Province
Waste-to-Energy Project in Huizhou City, Guangdong Province	Domestic waste power generation project in Tanghe County, Nanyang City, Henan Province
The Wuling Mountain Vein Industrial Park Project in Jishou City, Xiangxi Prefecture, Hunan Province	Waste-to-Energy Project in Xihua County, Zhoukou City, Henan Province
Henan Province Lushan County Venous Industrial Park Project (Incineration Power Generation Project)	Waste-to-Energy Project in Xinxiang, Henan
Biomass cogeneration project in Lushan County, Pingdingshan City, Henan Province	Anaerobic treatment of kitchen waste in Yangzhou, Jiangsu Province
Quanling Municipal solid Waste-to-Energy Project in Nanchang, Jiangxi Province	Waste-to-Energy Project in Yongji, Shanxi Province
Waste incineration cogeneration PPP project in Nanle County, Puyang City, Henan Province	Waste-to-Energy Project in Yutian County, Tangshan City, Hebei Province



Appendix III : Independent Assurance Statement



Waste incineration project in the catchment area of the South-to-North Water Diversion project in Xichuan, Xixia and Neixiang counties	Waste incineration power plant project in the central urban area of Pu 'er City, Yunnan Province
World Bank Loan Kitchen Waste Treatment Project in Ningbo City, Zhejiang Province	Waste-to-Energy Project in Zhengyang County, Henan Province
Waste-to-Energy Project in Nong 'an County, Changchun City, Jilin Province	Domestic waste incineration project in Zhumadian City, Henan Province

(6) Assurance Procedures

In order to ensure the effective implementation of the assurance work, CCXGF formulates the assurance implementation plan and time schedule, and conducts the assurance work with an objective attitude, mainly including the following procedures:

- Assess the extent to which CEHL adheres to the AA1000 principles and its related processes, and review and inspect stakeholder management practices and business processes based on the collected supporting materials;
- Conduct sampling checks on the reliability and quality of selected specific performance information;
- Recalculate the selected specific performance information;
- Other work that CCXGF deems necessary

(7) Conclusion

Based on the AA1000AS(v3) standard, CCXGF verified the sustainability information disclosed in the ESG report of CEHL and reached the following conclusions:

ESG report compliance with AA1000(2018) principles

• **Inclusion:** CEHL values the legitimate rights and interests of its stakeholders while focusing on its own high-quality development. The company fully understands the expectations and demands of stakeholders, actively builds communication bridges with stakeholders, maintains positive and effective interactions, and takes effective measures to ensure continuous and effective communication with stakeholders. The company also incorporates the demands of its core stakeholders, including government and regulatory authorities, shareholders and investors, employees, customers, suppliers, industry associations, and communities, into its management processes.

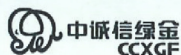
• **Materiality:** When evaluating material issues, CEHL ranks materialistic issues from the two dimensions of "impact materiality" and "financial materiality", creates materialistic issue matrix diagrams, combines industry policy trend analysis, industry benchmarking,

collects opinions through forms such as distributing stakeholder questionnaires, draws on best practices in the industry, and conducts discussions with management and expert teams. Ultimately, the key issues were identified and summarized to guide the company's sustainable development efforts with goals and priorities, and the ESG report met the requirements of substantive principles.

• **Responsiveness:** CEHL in its ESG report addresses the environmental dimensions of concern to stakeholders (exhaust emissions management, water use, and wastewater



Appendix III : Independent Assurance Statement



treatment); Social dimensions (labor relations, protection of intellectual property); The governance dimension (operating in compliance with laws and regulations, anti-corruption) and other aspects have been clearly addressed, and the ESG report meets the requirements of the responsiveness principle.

• **Impact:** As a professional environmental service provider in the field of solid waste treatment, CEHL formulates, monitors and reviews climate-related indicators and targets annually, guiding different project companies to take actions to mitigate climate risks. To oversee the performance of the climate task force, the environment also sets climate-related performance targets at the management level to assist the Board in assessing the effectiveness of its climate strategies and measures. The ESG report meets the requirements of the impact principle.

We reviewed the quality and accuracy of the following six key performance information in the ESG report:

- Exported Electricity (Reporting Projects)
- Total tap water volume (Reporting Projects)
- Number of ethnic minority employees (Reporting Projects)
- Total number of female employees (Group)
- Number of new invention patents granted during the reporting period (Group)
- Total contributions (Reporting Projects)

No material errors were found during the review of the above specific performance information.

(8) Limitations

- Since there are no internationally recognized and commonly used standards for the assessment and measurement of non-financial information, different but equally effective assessment methods and measurement techniques can have an impact on the comparability of data among different institutions;
- CCXGF did not verify any other key performance indicators in addition to those shown in the assurance report;
- This audit only conducted interviews and document checks with management personnel of the relevant departments of CEHL and did not involve external stakeholders.
- In the event of any discrepancy or inconsistency between the English version and the Chinese version, the Chinese version shall prevail.



AA1000
Licensed Report
000-872/V3-25527

China Chengxin Green Finance Technology (Beijing) Co., LTD

April 15, 2026



Appendix IV : Feedback Form

Thank you for reading this report.

To provide more valuable information to you and our stakeholders, effectively advance the Company's ESG management and practices, and continuously improve the Company's ESG disclosures, we welcome your valuable feedback.

Your Information	
Name:	Organization:
Contact Number:	E-mail:

1.What is your overall assessment of our ESG performance?

☐ Excellent ☐ Good ☐ Fair ☐ Poor ☐ Very Poor

2.What is your overall assessment of this report?

☐ Excellent ☐ Good ☐ Fair ☐ Poor ☐ Very Poor

3.How do you rate our performance in stakeholder communication?

☐ Excellent ☐ Good ☐ Fair ☐ Poor ☐ Very Poor

4.How do you rate our performance in green development?

☐ Excellent ☐ Good ☐ Fair ☐ Poor ☐ Very Poor

5.How do you rate our performance in social contribution?

☐ Excellent ☐ Good ☐ Fair ☐ Poor ☐ Very Poor

6.How do you rate the clarity, accuracy, and completeness of the information, data, and indicators disclosed in this report?

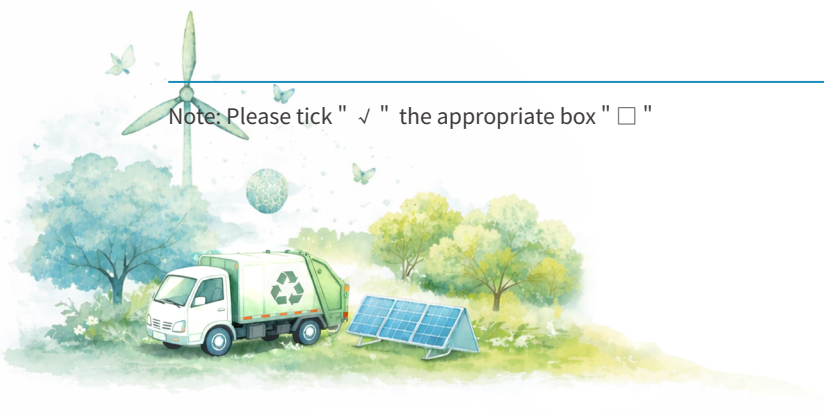
☐ Excellent ☐ Good ☐ Fair ☐ Poor ☐ Very Poor

7.Do you find the content arrangement and layout design of this report easy to read?

☐ Excellent ☐ Good ☐ Fair ☐ Poor ☐ Very Poor

8.Do you have any comments or suggestions regarding our ESG performance or this report?

Note: Please tick " ✓ " the appropriate box " ☐ "





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