



順風國際清潔能源有限公司  
SHUNFENG INTERNATIONAL CLEAN ENERGY LIMITED

(Incorporated in the Cayman Islands with limited liability) Stock code: 01165

**WORLD'S LEADING**  
CLEAN ENERGY PROVIDER

**LOW-CARBON & ENERGY-SAVING**  
INTEGRATED SOLUTIONS PROVIDER



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

**2022**



# CONTENTS

2	About This Report
4	About the Group
6	Our Sustainability Approach
12	Corporate Governance
14	Low Carbon Solutions
17	Green Operation
23	Talent Management
29	Community Care
31	HKEx ESG Reporting Guide Content Index



# ABOUT THIS REPORT

## PURPOSE

Shunfeng International Clean Energy Limited ("SFCE", or the "Company", together with its subsidiaries, collectively the "Group" or "We") is pleased to present this Environmental, Social and Governance ("ESG") Report (the "Report"). The Report aims to outline the Group's sustainability approaches, strategies and performances.

## REPORTING PERIOD AND SCOPE

Unless otherwise stated, the Report mainly focuses on our segment of solar power generation in the People's Republic of China (the "PRC" or "China") from 1 January 2022 to 31 December 2022 (the "Reporting Period").

## REPORTING FRAMEWORK

The Report has been prepared in accordance with the latest disclosure requirements of the Environmental, Social and Governance Reporting Guide ("ESG Reporting Guide") set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") issued by Hong Kong Exchanges and Clearing Limited ("HKEx"). The content index of the ESG Reporting Guide is attached to the Report for the convenience of the stakeholders.

## REPORTING PRINCIPLE

During the preparation of the Report, the Group adhered to the following reporting principles including materiality, quantitative, balance, and consistency, as outlined in the ESG Reporting Guide. For details, please refer to the table below.

Principle	What it means	Response of the Group
<b>Materiality</b>	The ESG issues covered in this Report should be sufficiently important to investors and other stakeholders.	Through materiality assessment, material ESG issues are identified and prioritised through stakeholder engagement and materiality assessment. A total of 7 material issues were identified based on the results of the stakeholders' ratings in the stakeholder engagement exercise. For details of the assessment processes and results, please refer to the sections headed "Stakeholder Engagement" and "Materiality Assessment".
<b>Quantitative</b>	The Report should disclose key performance indicators in a way that is measurable and conduct comparisons when appropriate.	As far as practicable, the Group discloses its key environmental and social performance indicators collected from relevant departments with quantitative measures.
<b>Balance</b>	The Report should present the positive and negative information of the Group in an objective manner.	The Group has identified and disclosed the ESG issues that have significant impacts on the Group's business in the Report, which include the achievements it has made and the challenges it faces.
<b>Consistency</b>	The Group should confirm that the method used in the preparation of the ESG Report is consistent with that adopted for the prior year, state the revised reporting methods, or illustrate other relevant factors that will draw meaningful comparisons.	The reporting scope and reporting methodology are consistent with those of the prior year, and explanations would be provided for changes in the reporting scope and reporting methodology, where applicable.

## INFORMATION AND CONTENT OF THE REPORT

The information, data and cases set out in the Report are derived from relevant documents provided by departments or integrated operational statistics of the Group.

The Report was endorsed by the senior management and was approved for publication by the Board of directors of the Company ("**Directors**") on 24 April 2023.

## ACCESS TO THIS REPORT

The Report is available for download at the website of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the official website of the Group (<http://sfcegroup.com>). The Report is published in both Chinese and English. In case of any discrepancy between the two versions, the English version shall prevail.

## YOUR FEEDBACK

We are dedicated to listening to feedback from our stakeholders in respect of our sustainability efforts and the Report. Your opinions and suggestions are valuable for our continual improvement in managing and achieving sustainable development. Please send us your comments by email at [ir@sfcegroup.com](mailto:ir@sfcegroup.com).

# ABOUT THE GROUP

The Group engages one segment of solar power generation in the PRC during the Reporting period. The Group continues to proactively explore various kinds of clean energy resources with an aim to lay a solid foundation for its development into a global leading supplier which provides low-carbon and energy-saving integrated solutions.

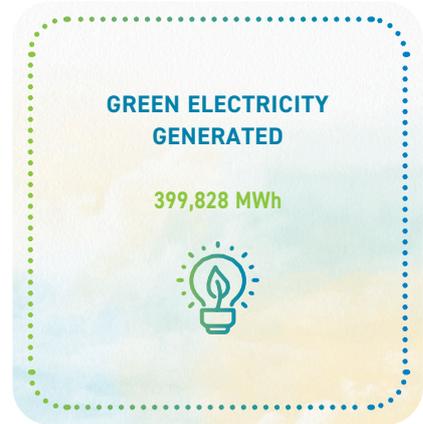
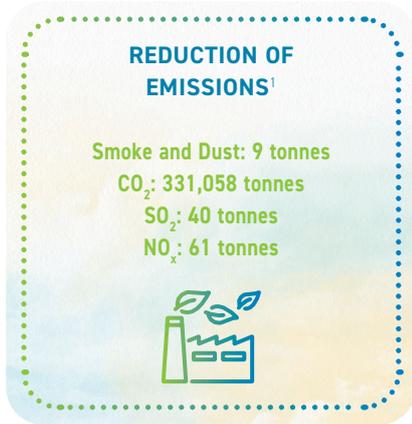
## OUR OPERATING LOCATIONS

The Group has laid out its solar power plants mainly in Yunnan, Shandong, Xinjiang, Jiangsu, Zhejiang, Hunan, Tibet, and Qinghai in the PRC.



## Key Environmental Achievements In 2022

### 2022 Group's Environmental Highlights <sup>1</sup>



<sup>1</sup> The basis of calculation is sourced from China Electricity Industry Development Report 2022 issued by China Electricity Council.

# OUR SUSTAINABILITY APPROACH

Guided by our mission to creating a low-carbon environment, we are fully committed to incorporating ESG considerations into our corporate culture and operations to build a sustainable future for our employees, community, and planet. We recognise our role in continuously improving our business practice and environmental performance to drive sustainability in the wider community and cultivate long-term relationships with customers, shareholders, employees, and suppliers.

The Group drives sustainability based on the four priority areas: (i) Low Carbon Solutions, (ii) Green Operation, (iii) Talent Management and (iv) Community Care.

## ALIGNING WITH THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (“SDGs”)

We support the SDGs and are dedicated to addressing the world’s pressing sustainability issues through concerted action by strengthening our four priority areas and developing our long-term sustainability strategy and target with the focus on the selected SDGs. We believe that 6 of the SDGs connect closely with our sustainability priority areas below.

### Low Carbon Solutions

Moving towards a greener and cleaner future

To leverage our low carbon solutions to create a sustainable future by:

- One-stop-shop clean energy solution
- Well-planned project management
- Responsible procurement



### Green Operation

Pursuing a sustainable operation pattern to protect our planet

To reduce the ecological footprint in our operation to combat climate change by:

- Adoption of renewable energy
- Conservation of energy, carbon, water and biodiversity
- Reduction of waste

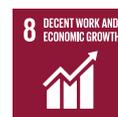


### Talent Management

Cultivating a decent people-centric workplace

To cultivate a corporate culture that embraces talent development, employee wellbeing and family-friendly practices by:

- Safety measures
- Wellness programs
- Friendly working environment



### Community Care

Nurturing wellbeing in our community

To proactively engage in community investment to give back to society by poverty alleviation



## SUSTAINABILITY GOVERNANCE

An effective ESG governance structure is the bedrock of long-term sustainable development. We are dedicated to strengthening our sustainability performance with robust ESG governance, ensuring the appropriate decision-making and monitoring of ESG-related issues, and supporting the sustainable growth of the Group. Our Board of Directors (the "Board") has overall responsibility for the ESG strategies and oversight of the ESG issues of the Group.

Delegated by the Board, our senior management is responsible for developing and implementing the ESG strategy and advising the Board on matters including the following from time to time:

- Formulating and constantly reviewing the Group's ESG strategies, priorities, goals, and targets;
- Identifying and monitoring the material ESG-related risks and opportunities (including but not limited to climate-related risks and ESG risks along the supply chain) to prevent and mitigate the related risks;
- Developing, revising, and assessing the implementation of ESG-related policies and initiatives;
- Keeping track of and assessing the Group's ESG performance and progress against the goals and targets;
- Reviewing and monitoring the Group's stakeholder engagement channels to ensure ongoing dialogues to understand the expectations of the key stakeholders; and
- Preparing ESG reports to reflect the sustainability performance for the Board's approval.

## ESG RISK MANAGEMENT

The Group has implemented an ESG risk management mechanism to evaluate and reduce potential risks that may prevent or endanger the achieving of our business objectives in a dynamic business environment where economic, industry, regulatory, and operating conditions continue to change.

We have engaged an independent ESG consultant to conduct an ESG risk assessment to identify and assess the ESG risks, including but not limited to climate-related and ESG risks along the supply chain, that might pose significant impacts on our operations.

We first prioritised the ESG their risks according to the risk levels of likelihood and significance. After that, effective internal control measures and initiatives are formulated and implemented to minimise the risks of disruption to our business operations.

## STAKEHOLDER ENGAGEMENT

Stakeholder opinions are vital to the development of our sustainability journey. Their expectations enable us to identify and prioritise the existing and emerging risks and opportunities across our business operations, as well as create sustainable value.

We have identified customers, employees, investors and shareholders, business partners (including research and development institutions), suppliers, government authorities, and local communities as our major stakeholder groups. Various engagement channels are established to create opportunities for them to share their expectations with us, enabling us to enhance our sustainability management approach and performance.

Set forth below are the tables summarising our stakeholder engagement practices.

## Our Sustainability Approach (Continued)

Stakeholder Types	Channels	Frequency	Matters of Concern	The Group's Responses
Customers	<ul style="list-style-type: none"> <li>• Business communication</li> <li>• Meetings</li> <li>• Customer service hotline</li> </ul>	<ul style="list-style-type: none"> <li>• On-going (day-to-day communication)</li> </ul>	<ul style="list-style-type: none"> <li>• Service quality</li> <li>• Privacy</li> <li>• Honest contract performance</li> </ul>	<ul style="list-style-type: none"> <li>• Improving service quality</li> <li>• Improving data security</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Internal communication system</li> <li>• Meetings</li> <li>• Annual appraisal</li> <li>• Company activities</li> <li>• Social media</li> </ul>	<ul style="list-style-type: none"> <li>• Annually (performance appraisal)</li> <li>• On-going (day-to-day communication)</li> </ul>	<ul style="list-style-type: none"> <li>• Sound welfare</li> <li>• Good career development</li> <li>• Comfortable working environment</li> </ul>	<ul style="list-style-type: none"> <li>• Offering various employee activities</li> <li>• Providing diversified training</li> </ul>
Investors and shareholders	<ul style="list-style-type: none"> <li>• Shareholders' meetings</li> <li>• Annual reports, financial statements, and announcements</li> <li>• Corporate websites</li> <li>• Social media</li> </ul>	<ul style="list-style-type: none"> <li>• Annually (General Meeting)</li> <li>• When necessary (for other meetings)</li> </ul>	<ul style="list-style-type: none"> <li>• Good business performance</li> <li>• Good corporate governance</li> <li>• Risk control and integrity</li> <li>• The Company's strategic direction</li> <li>• Sufficient disclosure</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthening ESG governance</li> <li>• Developing and refining ESG strategy to meet investors' expectations</li> <li>• Factual and sufficient disclosure</li> </ul>
Business Partners <sup>2</sup>	<ul style="list-style-type: none"> <li>• Daily communication between business representatives</li> <li>• On-site visits</li> <li>• Industry exhibitions</li> </ul>	<ul style="list-style-type: none"> <li>• Periodically</li> </ul>	<ul style="list-style-type: none"> <li>• Mutual benefits</li> <li>• Promotion and innovation of management</li> </ul>	<ul style="list-style-type: none"> <li>• Maintaining effective communication</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>• Business communication</li> <li>• Meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Periodically</li> </ul>	<ul style="list-style-type: none"> <li>• Win-win cooperation</li> <li>• Honest contract performance</li> </ul>	<ul style="list-style-type: none"> <li>• Increasing investment in supplier management</li> <li>• Building an open and transparent supply chain</li> </ul>
Government Authorities	<ul style="list-style-type: none"> <li>• Information submission</li> <li>• Interviews</li> <li>• Public consultation</li> </ul>	<ul style="list-style-type: none"> <li>• Periodically</li> </ul>	<ul style="list-style-type: none"> <li>• Operating in compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Ensuring compliance with laws and regulations</li> </ul>
Local Community	<ul style="list-style-type: none"> <li>• Charitable activities</li> <li>• Social media</li> <li>• Corporate websites</li> </ul>	<ul style="list-style-type: none"> <li>• Periodically</li> </ul>	<ul style="list-style-type: none"> <li>• Charity investment</li> <li>• Safety and environmental protection</li> </ul>	<ul style="list-style-type: none"> <li>• Boosting community investment</li> <li>• Managing workplace health and safety</li> <li>• Preventing workplace injuries and illnesses</li> <li>• Enhancing environmental and ecological protection</li> </ul>

<sup>2</sup> Including research and development institutions.

## **MATERIALITY ASSESSMENT**

We reflect on an ESG issue's importance to stakeholders and significance to the Group, relative to our ESG impacts in order to define our material topics. To facilitate this process, we have engaged an independent third-party consultant to conduct the materiality assessment.

The assessment involves a three-step approach listed below to identify and prioritise the materiality of relevant ESG topics for management and disclosure.

### **Step 1: Identification of Key ESG Topics**

With reference to the international and local ESG reporting frameworks and standards such as SDGs, HKEx ESG Reporting Guide, industry megatrends, and peer benchmarking, we identified a range of sustainability issues related to the Group's business. A total of 18 key ESG issues were identified. These issues were used to prepare in-depth questionnaires for our stakeholders.

### **Step 2: Engagement with Stakeholders**

We provided an online questionnaire for our major stakeholders and our management to collect their feedback and expectations in relation to our sustainability performance. All stakeholders ranked the importance of ESG issues and provided their views on our ESG performance and communication strategies.

### **Step 3: Prioritisation of Material ESG Topics**

We analysed and transformed the stakeholder responses into a materiality matrix to identify ESG issues that are highly material to our business operations and stakeholders. A total of 7 most material issues were identified this year. Issues at the top right quadrant of the materiality matrix indicated the most material sustainability issues identified.

### Materiality Matrix



# Importance to stakeholders is determined by external stakeholders' rating of the material issues in terms of their importance to the society/ environment and their relevance to the Group.

^ Importance to business continuity and development is determined by internal stakeholders' rating of the likelihood and level of the potential impact of the issues affecting our business continuity and development.

ESG Issues Considered	
1. Air Emission	2. Hazardous and Non-Hazardous Waste
3. Carbon Emission and Energy Efficiency	4. Water Resources
5. Climate-related Risks	6. Green Procurement
7. Supplier Environmental Risk Assessment	8. Employee Welfare
9. Anti-discrimination, Diversity, and Equal Opportunities (age, gender, disability, etc.)	10. Occupational Health and Safety
11. Employee Development and Training	12. Employment Compliance
13. Supplier Social Risk Assessment	14. Project Management
15. Customer Service	16. Intellectual Property
17. Anti-corruption	18. Social Investment

### List of Material Issues

The results of the assessment help us to manage and address the material ESG topics of the group, and better incorporate ESG principles into our business operation. A total of 7 material issues were identified and their corresponding sections in this Report are summarised in the following table:

Identified Material Issues	Section in this Report	Page Number
Climate-related Risks	Response to Climate Change	18-19
Occupational Health and Safety	Health and Safety	27-28
Employment Compliance	Talent Management	23-28
Anti-discrimination, Diversity and Equal Opportunities (age, gender, disability, etc.)	Talent Management	23-28
Employee Welfare	Remuneration and Welfare	26
Employee Development and Training	Training and Development	26-27
Anti-corruption	Anti-Corruption	12

# CORPORATE GOVERNANCE

## ETHICS

Upholding business ethics is a cornerstone value of the Group, and with that we can build a sustainable future for our stakeholders. Our Corporate Code of Conduct ("the Code") applies to every employee of the Group. It outlines a series of guidelines underpinning our management to a range of issues to ensure that our operating activities are complying with relevant laws and regulations. Issues covered by the Code include:



- Business etiquette
- Corruption
- Bribery
- Workplace harassment
- Gambling
- Record keeping
- Use of Company information and property
- Project management
- Health and safety
- Confidentiality, personal data and privacy
- Procurement
- Contract

We encourage the employees of the Group to raise concerns about the possible detection of any breach of legal or regulatory requirements. Our whistleblowing mechanism allows employees to report any malpractice, suspected misconduct, or impropriety at the workplace with protection from retaliation. The Group is committed to protecting whistle-blowers in good faith from any unfair treatment or retaliation. Strict measures are in place to protect the identity of whistle-blowers as well as all information collected.

## ANTI-CORRUPTION

The Group is committed to upholding the highest standard of integrity across all business operations. The Group strictly abides by the laws on anti-corruption and bribery in PRC including but not limited to the Criminal Law of the People's Republic of China (《中華人民共和國刑法》). Our anti-corruption policy clearly prohibits employees from offering or accepting advantages, gifts, or entertainment for the purpose of influencing business decisions from our business partners, including suppliers and contractors.

The Group is dedicated to nurturing a culture of integrity among our management and employees. To raise awareness of improper activities within the Group, we organise regular training regarding improper conduct in the workplace would be organised annually to promote ethical business practices. Furthermore, all the new joiners would receive orientation training regarding the culture and ethical standards of the Group. Anti-corruption training materials and practical guides are offered for both employees and Directors to raise awareness of anti-corruption. The training involves laws and regulations regarding anti-corruption, guidance on properly managing conflict of interest and corruption prevention. Our employees are required to acknowledge and sign the Declaration of Commitment to Integrity (《廉潔自律承諾書》). Through the above training and declaration, our employees could be well informed of the relevant policy and their obligations.

During the Reporting Period, there were no concluded legal cases regarding corrupt practices brought against the Group or its employees and we were not aware of any material non-compliance in relation to the applicable laws and regulations regarding anti-corruption.

## INTELLECTUAL PROPERTY RIGHTS

The Group pays close attention to safeguarding intellectual property rights. Our commitment to complying with laws and regulations is specified in the Code under which all our employees are required to comply with laws and regulations relating to intellectual property. To ensure the effective protection of the Group's intellectual property, we continue to reinforce our effort on patent applications. We strictly abide by relevant laws and regulations, including but not limited to the Copyright Law of the People's Republic of China (《中華人民共和國著作權法》), the Trademark Law of the People's Republic of China (《中華人民共和國商標法》) and the Patent Law of the People's Republic of China (《中華人民共和國專利法》).



# LOW CARBON SOLUTIONS

*Moving towards a greener and cleaner future*

**Goal: To leverage our low carbon solutions to create a sustainable future**

Selected SDGs:



Following our mission of creating a low-carbon environment that leads to a brighter future for the Earth and the mankind, the Group is devoted to exploring, developing, and managing various types of clean energy to provide diversified integrated clean energies and low-carbon energy solutions.

We adopt a one-stop-shop model that integrates the entire project cycle from development to operation and management stage. We offer an array of photovoltaic clean energy solutions that fulfil the demands of different users. Our centralised solar power plants are large-scale power plants that connect with the national power grid while our distributed solar power plant plants provide small-scale solutions to domestic and industrial users to address their needs for self-consumption. As of 31 December 2022, the Group owned 9 centralised solar power plants and 11 distributed solar power plants.

**SFCE model**



**PROJECT MANAGEMENT**

The Group attaches great importance to the quality management of solar power plants throughout the entire life cycle. The Group strictly abided by the relevant laws and regulations including but not limited to the Electric Power Law of the People’s Republic of China (《中華人民共和國電力法》) and the Renewable Energy Law of the People’s Republic of China (《中華人民共和國可再生能源法》). A series of procedures have been implemented to ensure our projects are complying with relevant regulations and standards. We have developed the Project Internal Initiation, Investment Initiation and Construction Management Measure (《項目內部預立項、立項、開工管理辦法》) that stipulates a clear framework of the approval and review process for project development plan, construction drawings, and other professional technical plans.

Moreover, the Solar Power Plant Operation and Maintenance Manual (《光伏電站運維手冊》) and Operation and Maintenance Management Standards (《運維工作管理標準》) have been established to cover the standardised procedures for managing the daily operations of our projects as well as implementing emergency response measures. We continue to improve our quality management system to provide high-quality products and services to our clients.

We are dedicated to improving our after-sales service by maintaining various communication channels such as hotlines and emails to receive customers’ feedback on our product and service quality. To secure customer experience, any complaints received shall be handled within the prescribed time limit by the responsible employees according to the internal procedures. During the Reporting Period, we were not aware of any reported customer complaints regarding material defects in the quality of our solar power plants.

We strictly comply with the relevant laws and regulations, including but not limited to the Advertising Law of the People’s Republic of China《中華人民共和國廣告法》. During the Reporting Period, we were not aware of any material non-compliance with the relevant laws and regulations relating to health and safety, advertising and privacy matters relating to products and services provided.

### CUSTOMER PRIVACY

The Group has established policies and procedures in collecting, processing and using the privacy data adhering to the applicable national laws and regulations regarding personal information protection, including but not limited to the Civil Code of the People's Republic of China (《中華人民共和國民法典》), the Personal Information Protection Act of the People's Republic of China (《中華人民共和國個人信息保護法》), the Data Security Law of the Peoples Republic of China (《中華人民共和國數據安全法》) and the Cyber Security Act of the People's Republic of China (《中華人民共和國網絡安全法》). Our Employee Handbook requires employees to handle data in a confidential manner, and violations would lead to internal penalties. Important customer files and information are properly managed by the archive department of the Group, with an aim to safeguard the safety and confidentiality of customer information. During the Reporting Period, we were not aware of any material non-compliance with the relevant laws and regulations relating to customer privacy, or any incidents of material customer information leakage.

### SUPPLY CHAIN MANAGEMENT

The Group maintains a close relationship with a wide range of suppliers, including raw material providers, module manufacturers, and contractors. We strive to operate in an ethical, transparent, and responsible manner, and seek for suppliers that share the same value.

#### Responsible Procurement

Our supplier procurement and management practices are governed by the Tendering and Price Comparison Management Regulations (《招標比價管理規定》) and Supplier Management Regulations (《供應商管理規定》), which set out the responsibilities of our departments during the supplier selection, management, and assessment processes, and facilitate effective supplier monitoring and evaluation.

Supplier compliance is evaluated and monitored by our procurement centre on an on-going basis. Our photovoltaic power plant development business regularly conducts supplier assessments and divides suppliers into three categories based on the assessment result, namely, qualified suppliers, pre-qualified suppliers, and unqualified suppliers. The results are recorded in the supplier management system and are taken into consideration for future supplier selection processes. Suppliers that violated relevant laws or committed serious misconducts can be banned from future tendering opportunities.

Similarly, we conduct reviews on potential suppliers prior to engagement to ensure they are in line with our expectations. Potential suppliers are evaluated according to their business size, track record in the photovoltaic industry ("PV industry"), qualifications for the PV industry, and management system certifications, including but not limited to ISO 9001 Quality Management System certification, OHSAS 18001 Occupational Health and Safety Management system certification, ISO 14001 Environmental Management System certification.

Suppliers are also encouraged to provide environmentally friendly alternatives for consideration in the procurement process such as local procurement to reduce carbon footprint arising from transportation, use of fewer packaging materials to reduce unnecessary waste, and prioritising the use of energy-efficient equipment to promote efficient use of resources.

ESG-related risks in suppliers could be identified through the supplier assessment process. We would identify and prioritise the suppliers with significantly fewer adverse environmental and social impacts. Our procurement centre constantly monitors and manages the performance and compliance of the suppliers to prevent and mitigate ESG-related risks along the supply chain.

During the Reporting Period, we have 60 major suppliers in mainland China, which are all qualified suppliers complying with the requirements of the procurement regulations and tendering procedures.



# GREEN OPERATION



*Pursuing a sustainable  
operation pattern to protect our  
planet*

**Goal: To reduce the ecological footprint in our  
operation to combat climate change**

Selected SDGs:



We recognise that climate change poses significant risks and presents significant opportunities to our business. The Group is fully committed to supporting the global climate change policies and national energy strategies, reducing the climate impact arising from our operation, and relentlessly enhancing our environmental management approach in relation to clean energy, energy conservation, and environmental protection.

The Group strictly abides by the laws, regulations and standards in relation to environmental protection, including but not limited to the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》) and the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》). During the Reporting Period, we were not aware of any material non-compliance with the relevant laws and regulations relating to environmental protection.

## RESPONSE TO CLIMATE CHANGE

The Group strives to strengthen climate-related strategies and measures in response to potential threats. We have conducted an ESG-related risk assessment to identify and assess potential climate-related risks that may pose threats to our business operations. Furthermore, we continue to evaluate the effectiveness of existing mitigation measures and identify room for improvement, with an aim to further enhance our business resilience against climate change. The table below illustrates the major climate-related risks and their corresponding mitigation measures in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD").

### Climate-related Risk

Physical Risk		
<b>Extreme Weather</b>	<b>Impacts to the Group</b>	<b>Mitigation Measures</b>
	<ul style="list-style-type: none"> <li>Increased maintenance cost for damage caused by extreme weather</li> <li>Generation volume may be affected by extreme weather, thereby affecting its revenue</li> <li>Employee safety issues caused by extreme weather</li> </ul>	<ul style="list-style-type: none"> <li>Perform regular check on the solar plants. Remote monitoring would be conducted via an online monitoring system for timely report on any abnormalities</li> <li>Promote effective and efficient operation of solar plants to offset the impact brought by extreme weather</li> <li>Provide safety training for employees to enhance their safety awareness and formulate contingency plan to ensure a timely response during emergency</li> </ul>

Transition Risk		
<b>Policy Risk</b>	<b>Impact to the Group</b> <ul style="list-style-type: none"> <li>Government subsidies on renewable energy projects may vary according to the latest regulatory changes</li> </ul>	<b>Mitigation Measures</b> <ul style="list-style-type: none"> <li>Monitor the emerging market and regulatory trends and ensure the Group's emission meet the legal requirements</li> </ul>
<b>Reputation Risk</b>	<b>Impact to the Group</b> <ul style="list-style-type: none"> <li>Fail to meet the social expectation on the Group's ESG performance may negatively affect our reputation and result in loss of potential customers</li> </ul>	<b>Mitigation Measures</b> <ul style="list-style-type: none"> <li>Disclose ESG information through annual ESG report</li> <li>Maintain a close relationship with major stakeholders to ensure timely response to their enquiry regarding the Group's ESG performance</li> </ul>

To drive long-term sustainable growth and build climate resilience under various climate scenarios, we have established the following environmental targets and strives to review and align our strategy with our green targets.

**Our Green Targets**

- GHG Emissions** To gradually minimise the air and greenhouse gas ("GHG") emissions through implementing emission control measures.
- Waste** To minimise our waste generation by adhering to the three-tier approach which prioritises waste avoidance over waste reduction and recovery.
- Energy** To increase energy efficiency in the construction and operation stage and minimise energy loss during the generation process by implementing energy conservation measures and integrating sustainability considerations into the design of the generation process and facilities.
- Water** To improve water efficiency by implementing water conservation measures and promoting water saving in our operations.

**ENERGY CONSUMPTION AND GHG EMISSIONS**

Guided by our mission of bringing low-carbon and clean energy to the world, the Group regards energy efficiency as one of the crucial parts of our business operations. Our solar power plant projects do not have a significant impact on the environment and natural resources as the solar power generation process does not use any fossil fuel and therefore does not generate any greenhouse gas or air emissions. Our greenhouse gas emissions arise from the use of vehicles in our daily operations, as well as the purchased electricity used in our offices and solar power plants. We have implemented a series of initiatives and green office measures to improve energy efficiency and reduce GHG emissions:

- Replacing coal-powered heaters with electricity-powered alternatives
- Placing reminders next to electrical appliances to raise the awareness of employees on energy conservation
- Switching off lights and electrical appliances when not in use

### AIR EMISSIONS

Air emissions such as particulate matter (PM), sulphur dioxide (SO<sub>2</sub>), and nitrogen oxides (NO<sub>x</sub>) are generated during the construction and operational phase of our solar power plants. A series of measures are adopted to meet the Class II standard of the Ambient Air Quality Standards (GB 3095-2012) (《環境空氣質量標準》), including:

- Careful planning to prevent excavating during windy days;
- Fence installation to minimize the spreading distance of dust;
- Frequent water sprinkling for dust suppression;
- Car wheels and body wash for dust removal;
- Speed limit for vehicles entering the construction site to minimize the production of dust; and
- Timely earthwork backfilling to minimize the opportunity for dust spreading

### WATER MANAGEMENT

Water is mainly used for employees' usage, and solar power plant development and construction. As a responsible enterprise, we adopted a wide range of measures to reduce water consumption and conserve water resources in our business operations. Wastewater generated by our operations would be treated by sewage treatment plants. We pay close attention to protecting local water resources by closely monitoring water extraction for solar power plants located in the arid zone and avoiding contamination of underground water. Our operations strictly abide by the Class III standard of the Standard for Groundwater Quality (GB/T 14848-2017) (《地下水質量標準》), the Water Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國水污染防治法》), the Soil Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國土壤污染防治法》). During the Reporting Period, we were not aware of any significant amount of wastewater generated from and any difficulties in sourcing water for our daily operation.

### WASTE MANAGEMENT

Hazardous and non-hazardous waste is generated from our operations. The Group has adopted a three-tier approach, which prioritises waste avoidance over waste reduction and recovery, and has developed comprehensive guidelines on handling waste generated from our operations for effective waste management and move towards the circular economy.

#### Hazardous Waste

The hazardous waste generated from our operations is discarded mineral oil generated from solar power plant maintenance or malfunction. All the hazardous waste would be collected and treated by the operation and maintenance service contractor in order to ensure our hazardous waste collection practices are in compliance with relevant national legislation and standards such as the Law of the People's Republic of China on the Prevention and Control of

Environmental Pollution by Solid Waste(《中華人民共和國固體廢物污染環境防治法》) and the Management Measures for Hazardous Wastes Movement (《危險廢物轉移聯單管理辦法》) and the Standard for Pollution Control on Hazardous Waste Storage (GB 18597-2001) (《危險廢物貯存污染控制標準》). During the Reporting Period, the amount of hazardous waste generated was insignificant.

### Non-hazardous Waste

The Group is devoted to minimising waste generation at source and ensuring effective general solid waste management. Besides the sorting of recyclable construction and domestic waste, the photovoltaic modules in our solar power plants which have reached their expected life would be collected by qualified third-party units for recycling. Non-recyclable solid waste is collected by the environmental protection authority for proper central treatment to prevent contamination.

### NOISE MANAGEMENT

Noise is generated throughout different phases of the solar power plant development. With cautious site location selection, the Group strictly abided by the Class II standard of the Environmental Quality Standard for Noise (GB 3096-2008) (《聲環境質量標準》), the Class II standard of the Emission Standard for Industrial Enterprises Noise at Boundary (GB12348-2008) (《工業企業廠界環境噪聲排放標準》) and Emission Standard of Environment Noise for Boundary of Construction Site (GB 12523-2011) (《建築施工場界環境噪聲排放標準》) to mitigate noise pollution and minimise the environmental impact. We replaced noise-intensive pneumatic machinery with hydraulic machinery, which produces lower level of noise. Furthermore, we installed sound barriers at the construction site to further reduce the noise generated during the construction phase.

### ECOLOGICAL PROTECTION

The Group attaches great importance to biodiversity and environmental protection. Drawing on our experience in solar power plant development, construction, operation and maintenance, the Group has developed a comprehensive approach to manage and mitigate the ecological impact caused by the construction of solar power plant, including the field of soil erosion, biodiversity, and landscape management. We assess the potential ecological impact and monitor our operations to ensure compliance with relevant standards and regulations for environmental protection and restoration with the support of professional personnel.

#### Soil Erosion

Timely backfilling and flattening of excavated holes to prevent further soil erosion during construction phase. To restore the natural soil protection, we actively cover the land with plantations to reduce soil erosion caused by raining.

#### Biodiversity

Before the commencement of a project, the Group would conduct a detailed ecological study to identify and analyse the biodiversity risk of solar power plants and surrounding habitats, aiming to mitigate and avert the impacts of solar power projects on plants and animals, as well as their habitats.

#### Landscape Impact

During the project location selection process, the Group takes the features of the surrounding landscape and the opinions of the local community into consideration. We strive to ensure our solar power plants can promote harmonious coexistence between industry and the local environment.

## ENVIRONMENTAL PERFORMANCE SUMMARY

KPIs <sup>3,4,5,6,7,8</sup>	2022	2021	Unit
<b>Greenhouse Gas (“GHG”) Emissions</b>			
Total GHG Emissions	3,773.03	3,494.74	Tonnes CO <sub>2</sub> e
Direct Emissions (Scope 1)	25.16	1.02	Tonnes CO <sub>2</sub> e
Indirect Emissions (Scope 2)	3,747.87	3,493.71	Tonnes CO <sub>2</sub> e
Intensity of Total GHG Emissions (Scope 1 and 2)	0.009	0.004	Tonnes CO <sub>2</sub> e/MWh
<b>Air Emission</b>			
Nitrogen Oxides (NO <sub>x</sub> )	5.46	0.24	Kg
Sulphur Oxides (SO <sub>x</sub> )	0.14	0.01	Kg
Particular Matters (PM)	0.40	0.02	Kg
<b>Energy</b>			
Total Energy Consumption	6,229.17	5,729.96	MWh
Purchased Electricity	6,143.04	5,726.46	MWh
Unleaded Petrol	86.13	3.51	MWh
Energy Consumption Intensity	0.016	0.007	MWh/MWh
<b>Waste</b>			
Total Non-hazardous Waste Generated	2.25	2.61	Tonnes
Total Non-hazardous Waste Generated Intensity	0.006	0.003	Kg/MWh
<b>Water</b>			
Total Water consumption	3,274.00	1,928.00	m <sup>3</sup>
Water Consumption Intensity	0.008	0.002	m <sup>3</sup> /MWh

<sup>3</sup> Our intensity factor is the amount of green electricity generated by solar power plants (MWh).

<sup>4</sup> Non-hazardous waste generated is confined to the domestic waste produced in our office in Wuxi City, the PRC. Considering the materiality principle, the amount of non-hazardous waste generated in power stations is considered as immaterial. We will continue to measure on such aspect and make relevant disclosures in the report when significant non-hazardous waste is involved.

<sup>5</sup> Water consumption is confined to that of in our office in Wuxi City, the PRC, while water supply in power stations was controlled by the operation and maintenance service contractor which was considered the provision of data for water consumption was not feasible. Hence, the relevant data is not available.

<sup>6</sup> Our reporting on air and greenhouse gases (GHG) emissions is mainly based on the requirements in “How to prepare an ESG report” published by HKEx and “GHG Protocol Corporate Accounting and Reporting Standard (revised edition)” published by the World Business Council for Sustainable Development and World Resources Institute. Operational control approach is adopted when defining organizational boundary for the purpose of GHG accounting and reporting.

GHG emissions are presented in carbon dioxide equivalent (CO<sub>2</sub>e). Our scope 1 direct emissions cover GHG emissions directly produced by businesses owned or controlled by the Group, while scope 2 indirect emissions cover GHG emissions of indirect energy resulted from electricity (purchased or acquired) internally consumed by the Group.

Our total energy consumption includes purchased electricity and non-renewable fuels consumed and the relevant conversion factors reference from “Technical Note: Conversion of fuel data to MWh” published by CDP.

<sup>7</sup> Intensity figures are rounded to three decimal places while other environmental figures are rounded to two decimal places.

<sup>8</sup> Totals may not be the exact sum of numbers shown here due to rounding.

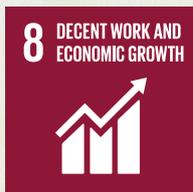


# TALENT MANAGEMENT

*Cultivating a decent  
people-centric workplace*

**Goal: To cultivate a corporate culture that  
embraces talent development, employee  
wellbeing, and family-friendly practices**

Selected SDGs:





## Talent Management (Continued)

Guided by our people-first principle, the Group regards employees as important assets and drivers of sustainable growth. We are dedicated to building an inclusive and healthy working environment by embracing diversity, equal opportunities, talent development, and employee wellbeing. We are devoted to providing rewarding career paths for employees to develop an industry-leading team.

### FAIR EMPLOYMENT

We strive to build our pool of talent by offering competitive remunerations and benefits packages and creating a harmonious and safe working environment. The Group adheres to the applicable laws and regulations regarding employment, including the Labour Law of the People's Republic of China (《中華人民共和國勞動法》), the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), the Occupational Disease Prevention Law of the People's Republic of China (《中華人民共和國職業病防治法》), and the Provisions on the Prohibition of Using Child Labour (《禁止使用童工規定》).

Aspiring to create an ideal working environment, the Group proactively communicates with our employees through various channels, including internal communication systems and regular meetings. Our grievance mechanisms cover different topics such as workplace discrimination, sexual harassment, irregularities, and illegal acts, providing employees a platform to express their concerns on corporate governance.

During the Reporting Period, the Group was not aware of any material non-compliance with the relevant laws and regulations relating to employment, occupational health and safety as well as labour standards.

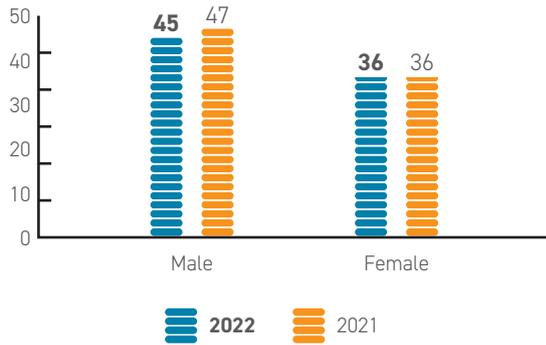
### LABOUR PRACTICE

The Group is dedicated to embracing diversity and inclusion at all levels of labour practices including but not limited to recruitment, determination of remuneration and benefits, promotion, training, and dismissal. We strive to uphold equal opportunities during the recruitment process and attract talents through various channels including internal promotion, campus recruitment, recruitment fair, etc.

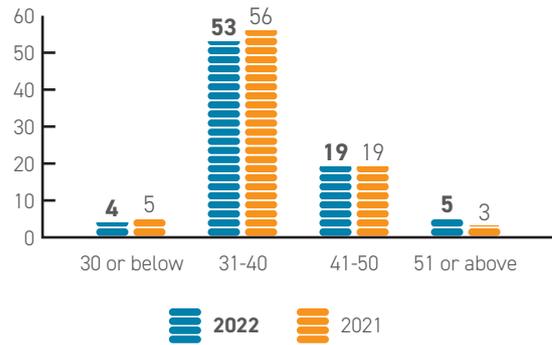
We believe diverse viewpoints of employees from different backgrounds and experiences drive our business growth and adapt to change in an evolving business environment. Discriminations of any kind are not tolerated, including, but not limited to, age, gender, race, colour, sexual orientation, religion, nationality, disability, or marital status of the applicants and employees in our recruitment and talent development process. Employees are appointed, promoted, and rewarded based on their experience, qualifications, and performance. Any non-compliance with the Code of Conduct among employees is subject to disciplinary action, which may include dismissal according to statutory requirements where appropriate.

As of 31 December 2022, our solar power generation segment in the PRC employed 81 full-time employees (2021: 83 full-time employees), all of which are located in the PRC.

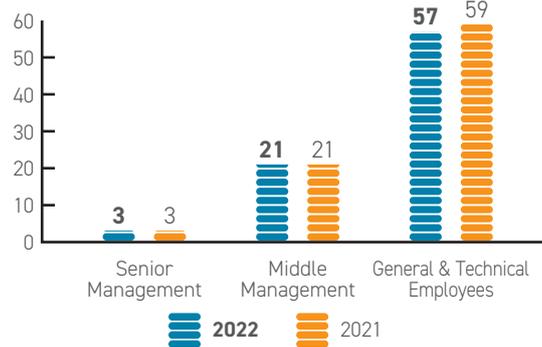
**Employee Number by Gender Distribution**



**Employee number by Age Distribution**

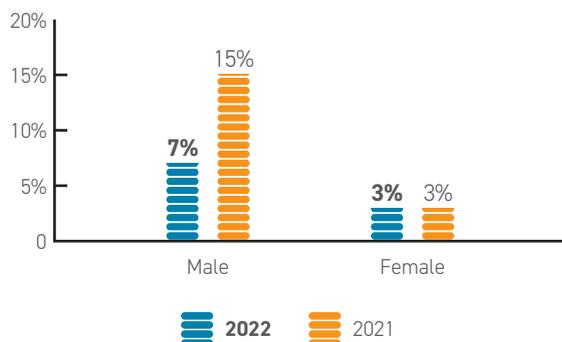


**Employee Number by Employment Category Distribution**

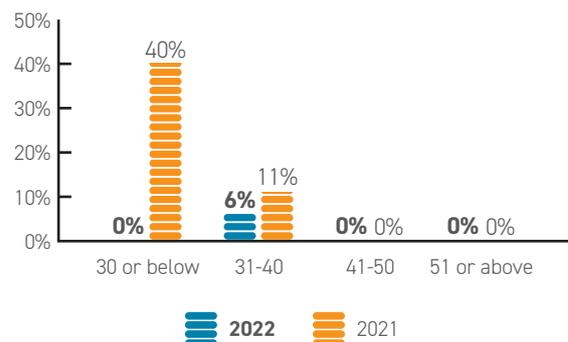


For employee turnover, the Group actively conducts an exit interview and takes appropriate measures to respond to feedback collected. During the Reporting Period, the Group's total employee turnover rate was 5% (2021: 10%), all of them are located in the PRC.

**Turnover Rate by Gender**



**Turnover Rate by Age Group**





## Talent Management (Continued)

As an ethical corporate, we prohibit all forms of forced labour and the use of child labour. Employee recruitment and management are subject to internal supervision to ensure that both internal and legal requirements are met. We acknowledge the importance of the work-life balance for our employees, and do not encourage overtime work. We have clearly specified that all overtime work requires prior approval, and employees who work overtime would be offered compensation leave equivalent to the number of days of the overtime work, to ensure they have sufficient rest time. During the Reporting Period, we were not aware of any material violations of laws and regulations related to the prohibition of the use of child labour or forced labour.

### REMUNERATION AND WELFARE

The Group provides all our employees with fair and competitive remuneration and welfare with regular reviews so that our operations are strictly complying with relevant laws and regulations such as the Labour Law of the People's Republic of China and the Labour Contract Law of the People's Republic of China. Our employees are entitled to remuneration and benefits, including retirement benefits, training subsidies, discretionary performance bonuses and an extensive range of insurances and leave entitlements. We provide paid annual leave, medical coverage, body checks, as well as maternity leave, parental leave, and paternity leave.

We encourage our employees to maintain a work-life balance through organising employee activities. Our employee activities were hampered by the COVID-19 pandemic during the Reporting Period, which prohibited the gathering of large groups of people. Nevertheless, we distributed festive gifts to employees during the Chinese New Year to share the festive joy and promote the culture of traditional Chinese festivals with them.

### TRAINING AND DEVELOPMENT

We regularly arrange trainings for our employees which provide continuing development opportunities with the goal of fostering professional ethics, skills, experience, and performance. Our training channels include training programmes, apprenticeship, online platform, and self-learning channels.

To accomplish our goal to identify and nurture our talents, our training system relies on the cooperation of various departments. The annual training direction and development plans will be determined by the human resources department with reference to feedback collected from the senior management and employees. The development plan and its effectiveness would be implemented and evaluated by other functional departments to further develop employees' expertise across different areas.

The Group offers theoretical and hands-on training covering topics ranging from work-related technical, environmental, health, and safety management to integrity content to assist employees to understand and perform their business responsibilities while meeting the requirement and expectations of relevant jobs. On top of that, to foster employee growth, we offer training in various aspects such as leadership, IT skills, financing skills, legal skills, and team management for personal development.

The Group also offers funding to motivate employees to seek external training opportunities to fully meet their needs in the improvement of professional knowledge, vocational skills, and academic qualifications. During the Reporting Period, a total of 130 hours of training were provided for our employees.

Statistics on Employee Training and development <sup>9</sup>	2022	2021
Total training hours	130	308
Average training hours of employees	1.6	3.7
Percentage of employees trained	89%	88%

Training Hours Per Employee and Percentage of Employees Trained By Gender <sup>9</sup>		
Male	1.6 (58%)	4.2 (55%)
Female	1.6 (42%)	3.1 (45%)

Training Hours Per Employee and Percentage of Employees Trained By Employee Categories <sup>9</sup>		
Senior management	-	-
Middle-level management	1.7 (28%)	3.9 (30%)
General and technical employees	1.7 (72%)	3.8 (70%)

<sup>9</sup> Training hours per employee for each category are calculated using the total training hours of employees in that category divided by the total number of employees in that category as of 31 December 2022.

Training percentage per employee for each category is calculated using the total number of employees trained in that category divided by the total number of employees took part in training as of 31 December 2022.

## HEALTH AND SAFETY

The Group places the safety and well-being of employees as our top priorities and strives to provide employees with a safe working environment. Our Safety Agreement (《安全協議書》) sets out our expectations on safety standards for our contractors. The Safety Agreement listed various requirements regarding different areas, including the qualifications of workers specialised in installing electrical parts and welding, inspection of construction equipment, working environment, vehicles, and public facilities.

We conduct and record regular safety inspections to prevent accidents. The inspections cover equipment conditions, hidden danger investigation, spillage of chemicals, and protection system to ensure safety in operation. To ensure that the operation and maintenance team fully understand the requirement, our contractors are required to organise monthly safety meetings and weekly safety learning sessions.



## Talent Management (Continued)

To safeguard employees' safety, our Safety Agreement includes emergency response plans that provide guidance for our employees to promptly respond to emergencies, such as public security accidents, fire accidents, and poisoning accidents. Based on the idea of "prevention as priority combined with fire control", we formulated Annual Fire Drill Working Plan (《年度消防演練工作計劃》) which clearly specifies the responsibilities of different roles and positions in respect of fire prevention, and conduct regular fire drills to fully ensure the safety of our employees.

### Fire Drill



### Prevention of the spread of COVID-19

Throughout the outbreak of the pandemic, we rolled out a COVID-19 prevention guideline in line with recommendations and policies by the government and the World Health Organization. On top of that, we distributed face masks and other prevention materials to ensure our employees had sufficient protection. We also implemented flexible working locations policy such as working from home to safeguard our employees from the threat. To prevent the spread of the virus, body temperature screening has been in place in each station for better control.



# COMMUNITY CARE



*Nurturing wellbeing in our community*

**Goal: To proactively engage in community investment to give back to society**

Selected SDGs:





## Community Care (Continued)

As a socially responsible corporate, the Group believes that it is our responsibility to support and contribute to the communities where we operate. We actively motivate our employees to work together to engage in various charitable activities and strive to nurture a culture of social responsibility among our employees.

### **POVERTY ALLEVIATION**

The Group's solar power plant projects development are aligned with the central government's goal in achieving green development in rural areas as set out in the 14<sup>th</sup> Five-Year Plan. With the aid of government subsidies and donations from the Group, we have installed dispersed solar power plants in rural areas and provided long-term product quality and technical assistance. The introduction of dispersed solar power plants in the rural areas not only provide renewable electricity to rural villages, but also support the local economy by providing additional income to underprivileged groups by selling excess electricity to power grids.

Apart from our business operations, we also contributed towards poverty alleviation by supporting community programs through donations. During the Reporting Period, the Group donated RMB50,000 to the Village Committee of Renyi Village of Fengcheng Town in Xuanhan County to support their revitalisation project in the county. The revitalisation project aims to improve the quality of life of the villagers through the construction of basic infrastructure. We will continue to support more charitable organisations and the community where we operate in developing affordable clean energy for more people and creating a positive impact on our community.

# HKEX ESG REPORTING GUIDE CONTENT INDEX

Indicator	Chapter / Disclosure	Page
<b>A. Environmental</b>		
<b>Aspect A1: Emissions</b>		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Green Operation	17-22
KPI A1.1      The types of emissions and respective emissions data.	Environmental Performance Summary	22
KPI A1.2      Direct and energy indirect greenhouse gas emissions and intensity.	Environmental Performance Summary	22
KPI A1.3      Total hazardous waste produced (in tonnes) and intensity.	Due to the business nature, the Group does not generate a significant amount of hazardous waste.	N/A
KPI A1.4      Total non-hazardous waste produced (in tonnes) and intensity.	Environmental Performance Summary	22
KPI A1.5      Description of emissions target(s) set and steps taken to achieve them.	Energy Consumption and GHG Emissions Response to Climate Change	18-19
KPI A1.6      Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Waste Management Response to Climate Change	18-21
<b>Aspect A2: Use of Resources</b>		
General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials	Energy Consumption and GHG Emissions Water Management	19-20
KPI A2.1      Direct and/or indirect energy consumption by type in total (kWh in '000s) and intensity.	Environmental Performance Summary	22
KPI A2.2      Water consumption in total and intensity.	Environmental Performance Summary	22
KPI A2.3      Description of energy use efficiency initiatives and results achieved.	Energy Consumption and GHG Emissions	19
KPI 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.	Water Management Response to Climate Change	18-20
KPI A2.5      Total packaging material used for finished products, and if applicable, with reference to per unit produced.	Due to the business nature, the Group does not generate a significant amount of packaging material.	N/A

## HKEx ESG Reporting Guide Content Index (Continued)

Indicator	Chapter / Disclosure	Page
<b>Aspect A3: The Environment and Natural Resources</b>		
General Disclosure Policies on minimizing the issuer's significant impact on the environment and natural resources.	Energy Consumption and GHG Emissions	19
KPI A3.1      Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Energy Consumption and GHG Emissions	19
<b>Aspect A4: Climate Change</b>		
General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Response to Climate Change	18-19
KPI A4.1      Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Response to Climate Change	18-19
<b>B. Social</b>		
<i>Employment and Labour Practices</i>		
<b>Aspect B1: Employment</b>		
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.	Talent Management	23-28
KPI B1.1      Total workforce by gender, employment type, age group, and geographical region.	Labour Practice	24-26
KPI B1.2      Employee turnover rate by gender, age group, and geographical region.	Labour Practice	24-26

Indicator	Chapter / Disclosure	Page
<b>Aspect B2: Health and Safety</b>		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety	27-28
KPI B2.1      Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and Safety	27-28
KPI B2.2      Lost days due to work injury.	Health and Safety	27-28
KPI B2.3      Description of occupational health and safety measures adopted, how they are implemented and monitored.	Health and Safety	27-28
<b>Aspect B3: Development and Training</b>		
General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Training and Development	26-27
KPI B3.1      The percentage of employees trained by gender and employee category.	Training and Development	26-27
KPI B3.2      The average training hours completed per employee by gender and employee category.	Training and Development	26-27
<b>Aspect B4: Labour Standards</b>		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour Practice	24-26
KPI B4.1      Description of measures to review employment practices to avoid child and forced labour.	Labour Practice	24-26
KPI B4.2      Description of steps taken to eliminate such practices when discovered.	Labour Practice	24-26

## HKEx ESG Reporting Guide Content Index (Continued)

Indicator	Chapter / Disclosure	Page
<b>Operating Practices</b>		
<b>Aspect B5: Supply Chain Management</b>		
General Disclosure Policies on managing environmental and social risks of the supply chain.	Supply Chain Management	16
KPI B5.1      Number of suppliers by geographical region.	Responsible Procurement	16
KPI B5.2      Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Responsible Procurement	16
KPI B5.3      Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Responsible Procurement	16
KPI B5.4      Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Responsible Procurement	16
<b>Aspect B6: Product Responsibility</b>		
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.	Project Management Due to our business nature, the Group does not involve any labelling matters	15
KPI B6.1      Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Due to the business nature, product recall was considered as immaterial issue.	N/A
KPI B6.2      Number of products and service-related complaints received and how they are dealt with.	Project Management	15
KPI B6.3      Description of practices relating to observing and protecting intellectual property rights.	Intellectual Property Right	13
KPI B6.4      Description of quality assurance process and recall procedures.	Project Management	15
KPI B6.5      Description of consumer data protection and privacy policies, how they are implemented and monitored.	Customer Privacy	16

Indicator	Chapter / Disclosure	Page
<b>Aspect B7: Anti-corruption</b>		
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	12
KPI B7.1      Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-Corruption	12
KPI B7.2      Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Ethics	12
KPI B7.3      Description of anti-corruption training provided to directors and staff.	Anti-Corruption	12
<b>Community</b>		
<b>Aspect B8: Community Investment</b>		
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.	Community Care	29-30
KPI B8.1      Focus areas of contribution.	Poverty Alleviation	30
KPI B8.2      Resources contributed to the focus area.	Poverty Alleviation	30



順風國際清潔能源有限公司  
SHUNFENG INTERNATIONAL CLEAN ENERGY LIMITED