

# 2024

Kangda International Environmental  
Protection Co., Ltd.

Environmental, Social,  
and Governance Report

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# ABOUT THIS REPORT

## Overview and Basis of Preparation

This Environmental, Social, and Governance (ESG) report of Kangda International Environmental Protection Co., Ltd. ( “Kangda International” , “the Company” , or “we” ) is prepared in accordance with Appendix C2 **Environmental, Social, and Governance Reporting Guide** of the Hong Kong Stock Exchange Listing Rules, covering the Company's performance and information in areas such as business development, employee care, environmental protection, and community investment during the period from January 1 to December 31, 2024 ( “the Reporting Period” ).

## Scope and Boundary of the Report

This report discloses information covering the urban water services projects, water environmental comprehensive treatment, and rural sewage treatment projects undertaken by Kangda International and its subsidiaries. Unless otherwise specified, all monetary amounts mentioned in this report are denominated in RMB.

The content of this report adheres to the principles of “Materiality”, “Quantitative”, “Balance”, and “Consistency” as outlined in the Hong Kong Stock Exchange's ESG Reporting Guide. These principles are determined based on materiality assessments and stakeholder opinions. For detailed processes, please refer to the “Maintaining Robust Development” section.

**Materiality:** The Company identifies ESG topics that are significant to both the Company and its stakeholders through active online and offline communications. The disclosed content in this report responds to the information collected during the materiality assessment.

**Quantification:** Key performance indicators disclosed in this report are measurable.

**Balance:** The report objectively presents the Company's efforts in environmental protection, social responsibility, and governance.

**Consistency:** The report uses consistent data disclosure methods as in previous years, allowing for meaningful comparisons across different years. Any changes that may affect comparability with past reports are explained in the corresponding sections.

## Disclaimer

This report contains forward-looking statements, including but not limited to terms such as “will”, “expect”, “forecast”, “future”, “intend”, “estimate”, “plan”, “believe”, “potential”, “continue”, “sustain”, “target”, “objective”, “may”, and similar expressions. These statements are based on current expectations, assumptions, estimates, and forecasts, and are subject to uncertainties that may cause actual results to differ materially. Kangda International does not undertake any obligation to update any forward-looking statements in this report, except as required by applicable laws. Kangda International shall not be held liable for any consequences arising from judgments made by individuals based on the information contained in this report.

## Report Languages

This report is available in Simplified Chinese, Traditional Chinese, and English versions. In case of any discrepancies, the Simplified Chinese version shall prevail.

## Confirmation and Approval

The contents of this report were confirmed by the management and the board of directors on 1st, Mar 2025. The electronic version of the report can be accessed on the Hong Kong Stock Exchange's website under Kangda International's “Financial Reports/Environmental, Social, and Governance Information” section or on the Company's official website. For any questions or comments regarding this report, please contact us through the following means:

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# Message From Management

We uphold the vision of “Creating a First-Class Environmental Protection and Creating a Century Enterprise”, continuously deepening the commitment to green, low-carbon, safe, and responsible development. We proactively adapt to industry trends and policy changes, actively exploring new paths for high-quality development in the environmental protection industry. Leveraging the synergistic effects of technological innovation and market integration, we optimize resource allocation, build an open and win-win industry ecosystem, and promote sustainable economic and environmental development to new heights.

In the global wave of green transformation, sustainable development has become a key driving force in addressing ecological and environmental challenges. We align with this trend, courageously shouldering our responsibilities, and delving deeply into comprehensive environmental pollution treatment. Through meticulous management, we solidify our operational foundation, and through technological innovation, we empower industrial upgrading, continuously enhancing our core competitiveness. We actively construct a green industrial chain, deepen sustainable business models, and promote the optimization of the industry ecosystem. At the same time, we take social responsibility as our own duty, advocates humanistic care, promotes multi-party collaboration, and jointly builds a harmonious, inclusive, and win-win new pattern of sustainable development.

## Steady Operations, Strengthening Governance Foundations

We adhere to high standards of corporate governance, continually optimizing our management structure to ensure compliant operations. Guided by prudent development, we uphold ethical business practices, enhance our internal control systems, and improve compliance management. Additionally, we have established a scientific and systematic risk management framework, continually bolstering our ability to identify and manage risks.

## Pursuit of Excellence, Delivering Superior Quality

With a rigorous and pragmatic approach, we are upgrading project construction and operational management. Leveraging our integrated “Planning-Investment-Construction-Operation” model, we have developed a quality management system that spans the entire project lifecycle, ensuring each phase meets high standards. We also actively engage in industry exchanges and collaborations, deepen technological sharing and innovative applications, and partner with industry peers to build an efficient, green, and sustainable environmental governance ecosystem.

## Collaborative Progress, Unleashing Talent Potential

Recognizing our employees as a core competitive advantage, we continually refine our human resources management system, optimize talent acquisition and development mechanisms, and foster a diverse, inclusive, and dynamic workplace. Through enhanced career development support and the establishment of incentive systems, we offer employees ample growth opportunities, aiding in the realization of personal value. We also cultivate an open and trusting corporate culture, strengthen team collaboration, and collectively drive the Company's high-quality development.

## Green Initiatives, Empowering Sustainable Development

We remain dedicated to the philosophy of green development, actively advancing environmental protection practices to achieve synergetic economic and ecological benefits. Responding to national calls for ecological civilization, we focus on key areas such as water resource management, pollution control, and energy conservation, exploring efficient and low-carbon environmental solutions.

## Uphold Integrity, Crafting a Sustainable Future

Guided by our corporate mission, we adhere to the management principle of “Sincere Commitment and Repaying the Society”, striving to harmonize business growth with social responsibility. Keeping pace with industry trends, we leverage technology to enhance ecological governance, elevating urban environmental management standards. Concurrently, we actively engage in public welfare, fulfilling our role as corporate citizens and fostering a collaborative social ecosystem.

“The times are surging, and those who strive are the first.” As a leading environmental pollution treatment company, we continually deepen our core competencies, progressing steadily toward a broader future. In the face of industry transformations and market challenges, our forward-looking strategies and robust technological capabilities drive both corporate and societal value enhancement. We persistently expand green boundaries, utilizing technological innovation to propel environmental upgrades, steadfastly supporting societal green transitions.

*“Rivers surge day and night, and the vast expanse of heaven and earth should naturally crisscross.” With environmental protection as our banner, responsibility as our compass, and innovation as our oar, we unite efforts from all sectors to compose a grand chapter in sustainable development. Embracing an open and win-win approach, we journey with the times and progress with the future, jointly ushering in a new era of harmonious coexistence between humanity and nature.*





# Statement By The Board Of Directors

## Board Responsibilities

We focus on a sustainable development path by establishing a comprehensive ESG governance framework and integrating ESG management into our daily operations. To achieve this, we have set up a three-tier governance structure centered on the Board of Directors, the Audit Committee, and the ESG Daily Operations Working Group.

As the highest governing body, the Board of Directors assumes primary responsibility for the Company's ESG strategy and performance. The Audit Committee is tasked with advising on the ESG strategy and framework, identifying ESG risks and opportunities, and overseeing ESG guidelines, policies, and objectives. In addition, the Audit Committee reviews the Company's annual ESG report and submits recommendations to the Board, which ultimately approves the ESG report.



## ESG Implementation

The ESG Daily Operations Working Group is responsible for executing the ESG governance strategies established by the Board and the Audit Committee. This includes developing ESG objectives and action plans, regularly reporting ESG progress to the Audit Committee, and preparing the ESG report.

During the reporting period, the Audit Committee convened two meetings to discuss topics of interest to stakeholders and to review the progress of ESG initiatives in stages. In addition, we conducted a materiality assessment of ESG issues based on stakeholders' actual expectations and demands. This process involved identifying climate change risks, opportunities, and response measures, as well as reviewing environmental objectives such as energy consumption and resource utilization. The suggestions and recommendations raised during the meetings were submitted to the Board for approval, and subsequently implemented by the ESG Daily Operations Working Group, with the Audit Committee overseeing the progress of these objectives and the execution of related activities. For more detailed information on these activities, please refer to sections "1.3 Materiality Issue Analysis", "4.1.2 Environmental Goals", and "4.4 Responding to Climate Change" of this report.

## ESG Risk Management and Objective Oversight

We firmly believe that ESG issues can potentially impact our business development and pose associated risks. Accordingly, our Board and Audit Committee consider multiple factors—including national policies, industry standards, and regulatory requirements—and actively engage with stakeholders. Through timely identification and assessment of material issues, we have conducted an in-depth analysis of ESG-related risks. Ultimately, the Board reviews, approves, and confirms the analysis results of these material issues for the year.



# About Us

## Company Profile

We, Kangda International Environmental Co., Ltd. (HK 06136), established in 2011, are a leading environmental pollution treatment enterprise in China. We provide comprehensive water service project solutions and services, with core businesses covering sewage treatment, environmental pollution treatment, and solid waste treatment in the field of comprehensive urban environmental treatment. Since our listing on the Hong Kong Stock Exchange's main board on July 4, 2014, we have continuously attracted investors from all sectors through diversified models such as equity mergers and acquisitions, TOT (Transfer-Operate-Transfer), BOT (Build-Operate-Transfer), and PPP (Public-Private Partnership).

We adhere to leading the enterprise forward through technological innovation, assembling an innovation team of technical experts and renowned scholars from both domestic and international backgrounds, and establishing an expert committee to safeguard technological innovation. We strengthen our innovation capabilities through independent research and development, patent acquisitions, mergers, and joint ventures. At the same time, we have established strategic partnerships with research institutions such as China Ship Scientific Research Center and Tianjin Municipal Engineering Design and Research Institute, comprehensively promoting the integration of industry, academia, and research, continuously enhancing innovation strength, and promoting industry upgrading.

As a top 50 environmental enterprise in China, we serve as the vice president unit of the China Environment Chamber of Commerce, and are the first batch of AAA credit rating enterprises of China Association of Environmental Protection Industry (CAEPI). We have also served two consecutive terms as the vice president unit of CAEPI. We hold a first-class qualification for municipal public engineering construction issued by the Ministry of Housing and Urban-Rural Development. We have also obtained ISO 9001 Quality Management System, ISO 14001 Environmental Management System, ISO 45001 Occupational Health and Safety Management System certifications, and China Environmental Protection Association Level 1 Operational Service Capability Certification for Industrial Wastewater and Domestic Sewage Treatment, demonstrating our commitment to high-quality environmental governance.

Guided by the core value of “Sincere Commitment and Repaying the Society”, we strive to promote regional ecological civilization through our development, contributing to the creation of a harmonious coexistence between humans and nature. Leveraging new opportunities from the “Carbon Peaking & Carbon Neutrality” strategy, we are enhancing our water services industry chain, focusing on expanding high-quality projects such as reclaimed water reuse and industrial wastewater treatment, aiming to achieve mutual growth for the Company and societal value.



### Nine-Word Principle:

Following Rules, Pursuing Self-discipline and Fulfilling Duties



### Corporate mission:

Create an Environment with Greener Water, Lusher Mountains and Bluer Skies



### Corporate vision:

Create a First-Class Environmental Protection  
Create a Century Enterprise



### Corporate core values:

Sincere Commitment and Repaying the Society

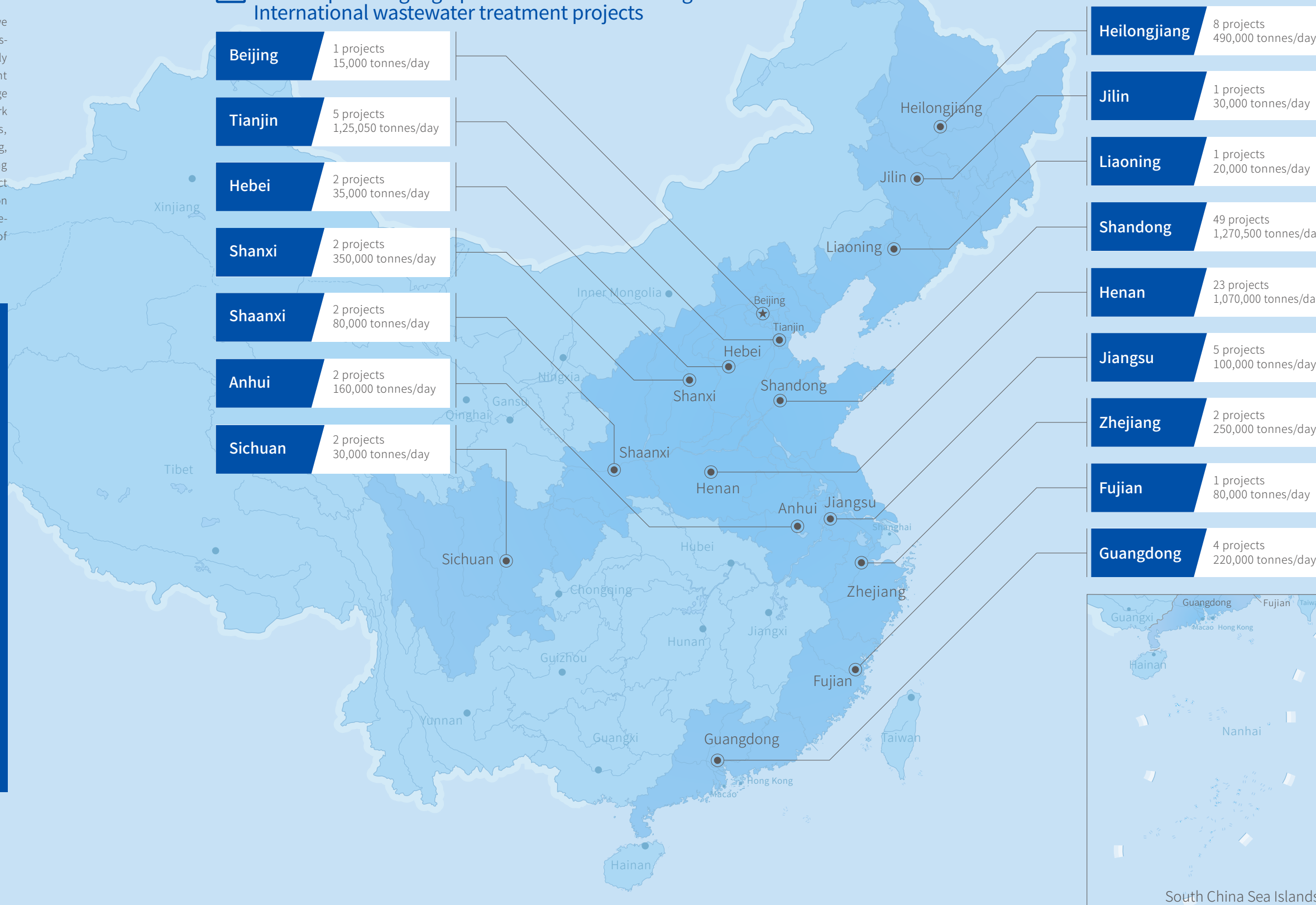
## Business Overview

As a practitioner of green development, we actively respond to national policies, focusing on the urban water sector and steadily managing projects in water environment comprehensive treatment and rural sewage treatment. Currently, our business network spans 16 provinces and municipalities, including Shandong, Henan, Heilongjiang, Shanxi, and Zhejiang. During the reporting period, we continuously improved project efficiency through upgrading and expansion projects, creating stable returns for shareholders and achieving a total revenue of RMB 2,261.3 million.

## Urban Water Services

We have comprehensively laid out the urban water industry chain through diversified models such as BOT, TOT, PPP, and operations and maintenance contracts. Our business scope covers the design, construction, upgrading, and operation of sewage treatment plants, reclaimed water treatment plants, sludge treatment plants, and water supply plants, as well as the operations and maintenance services for sewage treatment facilities entrusted by the government. By the end of the reporting period, we operated 110 concession projects, including 104 wastewater treatment plants, 1 water supply plant, 3 sludge treatment plants, and 2 reclaimed water treatment plants, generating operational revenue of RMB 2,160.2 million.

## Heat map of the geographical distribution of Kangda International wastewater treatment projects



## Key Performance



### Kangda International 2024 Economic Indicators

Revenue RMB  
**2,261.3** million

Gross profit RMB  
**1,089.0** million

Selling and distribution expenses RMB  
**1** million

Net profit RMB  
**170.9** million

Total assets RMB  
**19,153.9** million



### Kangda International 2024 Environmental Indicators

Obtained ISO 14001 Environmental Management System Certification

Continuously optimizing **environmental performance**: significant achievements in water conservation, ongoing reduction in solid waste generation, and decreases in both energy consumption and carbon emission intensity

COD processing capacity of **323,000 tons**

In 2024, water consumption intensity decreased by **3.1%** year-on-year



### Kangda International 2024 Social Indicators

Obtained ISO 9001:2015 Quality Management System Certification

Set an annual target for effluent compliance rate, achieving **99.5%** compliance throughout the year

Accumulated a total of **41** intellectual property rights, including patents and trademarks

Equipment suppliers certified under ISO 9001 Quality Management System and ISO 14001 Environmental Management System accounted for **95.33%** and **92.52%**

Total employee training hours reached **42,031** hours for the year, with an average of **18.39** hours per employee

Obtained ISO 45001:2018 Occupational Health and Safety Management System Certification

Achieved zero major safety incidents and production liability accidents throughout the year, with no employee fatalities or serious injuries due to work-related accidents.



### Kangda International 2024 Governance Indicators

Completed compliance audits for **2** project companies, special audits for **15** engineering projects, **1** departure audits, and handled **1** employee reports

Conducted **third-party risk assessments** annually

Among **8** directors, there are **4** executive directors, **1** non-executive director, and **3** independent non-executive directors.







# Maintaining Steady Development

We understand that sustainable development is the cornerstone of our long-term stability and success. We are committed to improving the ESG governance structure and system, while deepening the integration of ESG principles into our business strategies. At the same time, we maintain timely and effective communication with stakeholders to identify and manage key ESG issues, driving the Company toward high-quality, sustainable growth.

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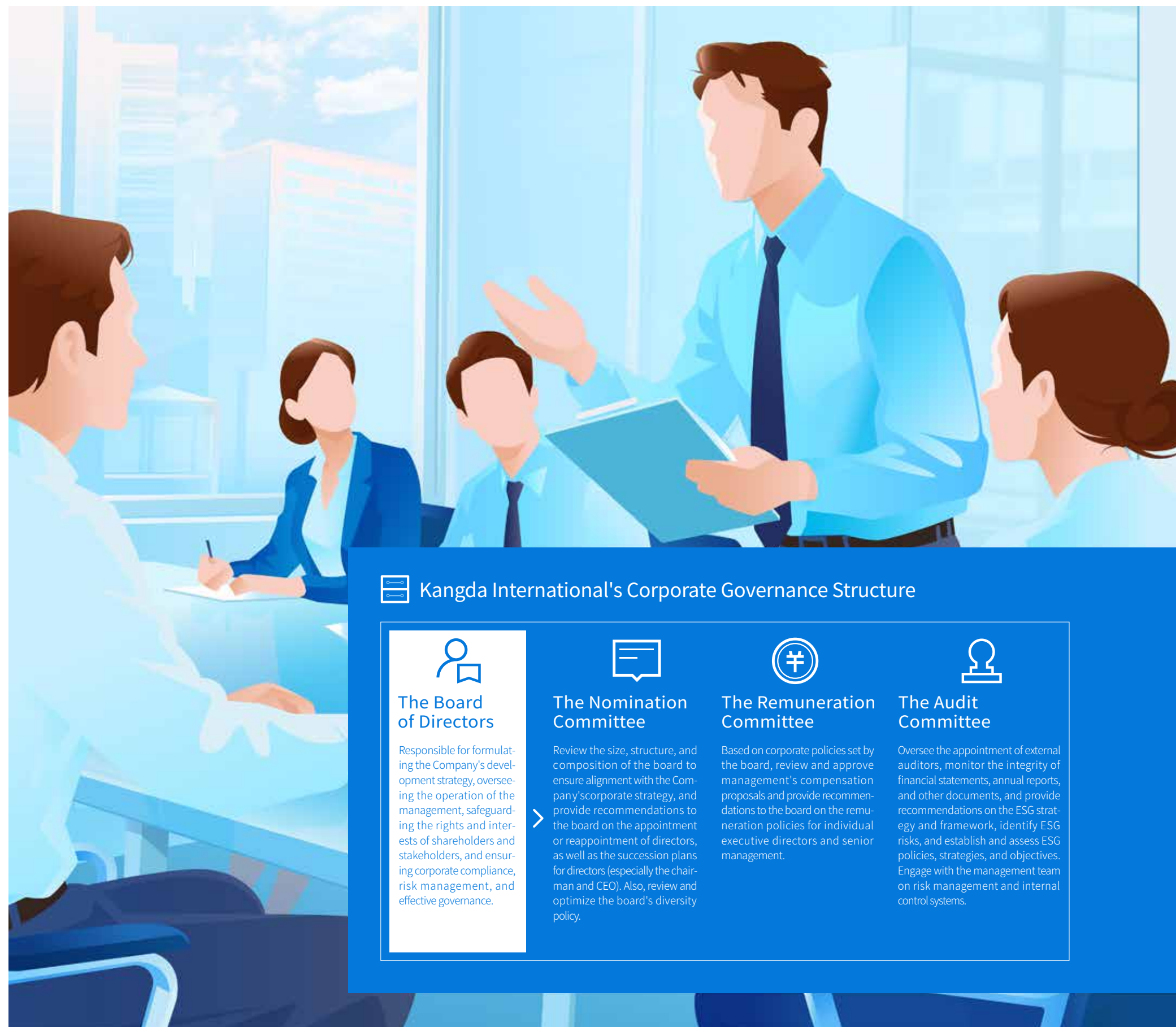


# 1.1 Corporate Governance

We are dedicated to safeguarding the interests of shareholders and other stakeholders, constantly enhancing corporate governance, and adhering to responsible business practices to ensure high levels of corporate governance. We strictly comply with relevant laws and regulations, such as the *Company Law of the People's Republic of China* and the *Code of Conduct for Directors of Listed Issuers on Securities Trading*, as well as regulatory requirements, continuously improving governance capabilities and ensuring the Company operates in a compliant manner.



We continue to optimize our corporate governance system, establishing a top-down governance structure: the board of directors serves as the core management body, responsible for monitoring and making decisions on our business activities to safeguard the interests of shareholders. The board has established three committees: the Nomination Committee, the Remuneration Committee, and the Audit Committee, each responsible for managing the appointment of directors, executive compensation schemes, and the effectiveness of our risk management system. Our board consists of eight members, including four executive directors (one of whom is female), one non-executive director, and three independent non-executive directors. The board's clearly defined roles and responsibilities enhance corporate governance from the top down, ensuring the Company's steady development.



## Kangda International's Corporate Governance Structure



### The Board of Directors

Responsible for formulating the Company's development strategy, overseeing the operation of the management, safeguarding the rights and interests of shareholders and stakeholders, and ensuring corporate compliance, risk management, and effective governance.



### The Nomination Committee

Review the size, structure, and composition of the board to ensure alignment with the Company's corporate strategy, and provide recommendations to the board on the appointment or reappointment of directors, as well as the succession plans for directors (especially the chairman and CEO). Also, review and optimize the board's diversity policy.



### The Remuneration Committee

Based on corporate policies set by the board, review and approve management's compensation proposals and provide recommendations to the board on the remuneration policies for individual executive directors and senior management.



### The Audit Committee

Oversee the appointment of external auditors, monitor the integrity of financial statements, annual reports, and other documents, and provide recommendations on the ESG strategy and framework, identify ESG risks, and establish and assess ESG policies, strategies, and objectives. Engage with the management team on risk management and internal control systems.

## 1.2 ESG Management

We place great importance on ESG management and have established an ESG governance structure that spans decision-making, execution, and oversight levels. We integrate the concept of sustainable development into both our strategic planning and daily operations. At the same time, we maintain open and efficient communication channels and dialogue mechanisms, actively responding to the core concerns of different stakeholders to drive steady business growth and create sustainable value.

### 1.2.1 ESG Philosophy and Objectives

We practice the core corporate value of “Putting Water First” and continually enhance ESG practices in our daily operations. We strive to embody the concept of ESG in all aspects of our management, working to achieve the goals of “making the water cleaner, the mountains greener, and the skies bluer”. With the determination of “A rope saws through wood, and water wears through stone”, we actively assume social responsibility and create long-term value for stakeholders.

We focus on growing together with stakeholders, actively safeguarding and respecting their rights and demands. At the same time, we strive to translate our ESG goals into concrete actions, enhancing our performance in ESG and maximizing stakeholder benefits through practical efforts.

#### Kangda International ESG Objectives



### 1.2.2 ESG Governance Structure

To ensure the effective management of ESG, we have established an ESG governance structure consisting of the Board of Directors, the Audit Committee, and the ESG Working Group. The Board of Directors, as the highest responsible body, oversees and coordinates all ESG-related matters for the Company. The Audit Committee provides advisory support and supervises the implementation of ESG initiatives. The ESG Working Group is responsible for executing our day-to-day ESG tasks and improving Kangda International's performance in ESG.

In addition, we have assigned dedicated personnel for our ESG feedback and reporting activities, ensuring objective disclosure of ESG information in our reports and sharing our ESG management efforts with stakeholders. This year, the Board also specifically reviewed, audited, and approved updates related to climate change risks, contributing to the enhancement of our ESG governance level.

Moving forward, our Board will continue to actively engage in the ESG management process based on the ESG report, working to further improve our ESG management practices and drive steady development.

#### Kangda International ESG Governance Structure



The Board of Directors



The Audit Committee



The ESG Working Group






# 1.3 Materiality Issue Analysis

We place great importance on stakeholder feedback, maintaining efficient communication and close contact with all stakeholders. We respond promptly to their needs and continuously improve our ESG management, ensuring the Company operates efficiently.

## 1.3.1 Stakeholder Communication

We engage with stakeholders through various online and offline channels, listening to their demands and expectations, and understanding the issues they care about and their evaluations of our ESG performance. We take corresponding actions to help the Company accurately assess the impact of decisions and adjust strategic directions as needed. During the reporting period, the issues of concern to different stakeholders and the corresponding communication responses are as follows:

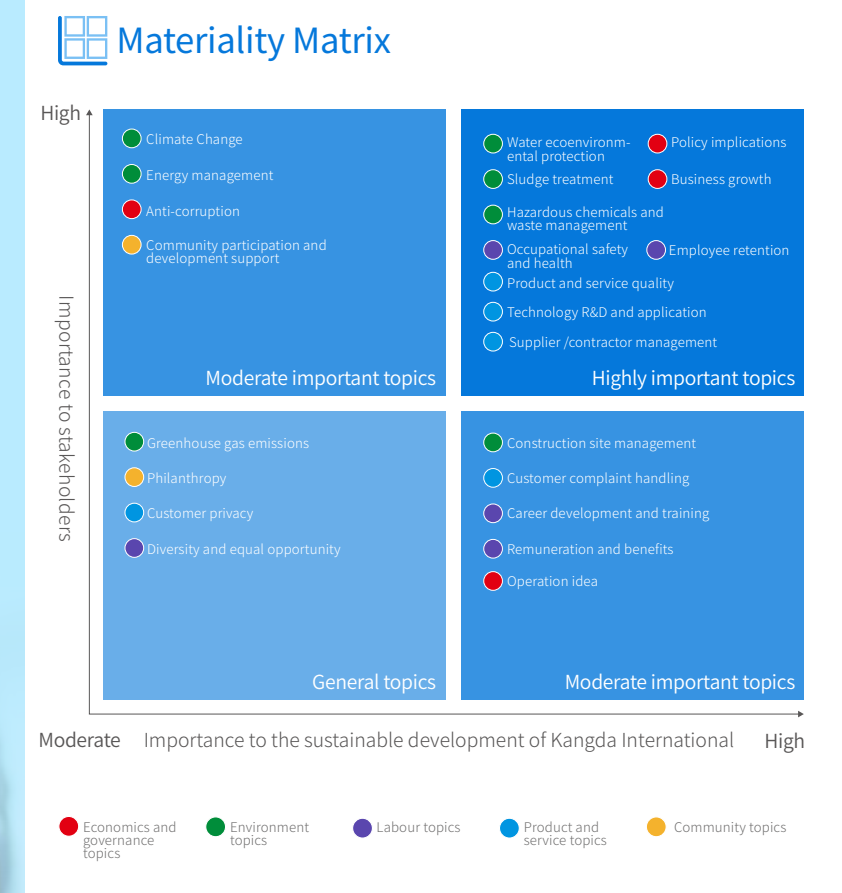
### Stakeholder Communication

 Stakeholders	 Topics	 Communication and Response Methods
Shareholders/Investors	Business Development Policy Implications Product and Service Quality Employee Stability	Shareholders' Meetings / Periodic Reports / Ad Hoc Announcements On-Site Roadshow and Reverse Roadshow Research Telephone and E-mail Communication
Government & Regulators	Policy Implications Water Ecology Chemicals Management Sludge Treatment	Periodic Reports/Interim Announcements Reporting and Reception Correspondence Field Research
Customers	Product and Service Quality Technology Development and Application Supplier/Contractor Management Customer Complaint Handling	Hotline Information Feedback Satisfaction Survey
Employees	Occupational Safety and Health Employee Stability Compensation and Benefits Business Development	Safety Training and Conference Professional Training Employee Activities Daily Communication
Partners (suppliers, contractors, etc.)	Supplier/Contractor Management Business Performance Policy Implications Construction Site Management	Public Tender Annual Evaluation Field Research Supplier Meetings
Community	Philanthropy Community Engagement and Development Support Water Ecology Sludge Treatment	Community Events/Announcements/ Press Releases Interviews & Surveys Field Research

## 1.3.2 Materiality Issue Matrix

In 2024, we conducted a materiality issue analysis based on our operational conditions, macro industry policies, ESG regulatory requirements, and other factors. We identified, classified, and assessed ESG issues, creating a materiality issue matrix.

During the reporting period, we identified a total of 23 ESG issues, including 10 highly important issues, 9 moderately important issues, and 4 generally important issues.



## 1.4 Compliance Management

We uphold high ethical standards, adhering to compliant operations to promote our sustainable development. We continually enhance our risk management capabilities, improve and optimize our risk management system, effectively safeguard the interests of all parties, and ensure our steady growth.

### 1.4.1 Compliance Management

We strictly comply with laws and regulations such as the *Audit Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, and the *Anti-Money Laundering Law of the People's Republic of China*. Internally, we have established systems including the *Anti-Fraud Management System of Kangda International*, the *Basic Standards for Internal Audit*, the *Internal Audit Management System*, and the *Code of Business Conduct on Anti-Fraud*, adhering to high ethical standards and setting ethical norms for the commercial behavior of the Company and its employees. We firmly oppose any form of corruption, bribery, or violations of business ethics, providing anti-corruption training to both the board and employees to foster an open and transparent work environment.

We place significant emphasis on cultivating and enhancing employees' compliance awareness. This year, we prepared the *Enterprise Cost Supervision Special Issue* and published it on the online office system bulletin board for employee reading and study. Additionally, we conducted on-site guidance and training for the board and employees on internal control and corruption issues identified during audits, aiming to reduce the likelihood of corruption incidents. During the reporting period, we did not encounter any corruption-related litigation cases.

Furthermore, we have continued to improve our *Employee Reporting Policy*, encouraging employees and partners to report violations to promptly identify potential unethical behaviors. We require the departments receiving reports to register and report to management immediately upon receipt, conduct thorough investigations, and implement appropriate disciplinary actions.

We support both anonymous and named reporting, providing channels such as phone, email, and WeChat for whistleblowing. We maintain strict confidentiality of whistleblowers' information and prohibit any harassment or retaliation against them. Our policies clearly state that any personnel retaliating against whistleblowers will face disciplinary actions, up to and including termination of employment. In 2024, we received one employee report, which was promptly investigated.



**Bribery or Corruption Reporting Hotline and Email:**

**Hotline**

023-6186 7966

**Email**

neishenbu@kangdaep.com

whistle-blowing@kangdaep.com

(Exclusively for Kangda International Audit Committee)

### 1.4.2 Risk Management

We place great emphasis on risk prevention and have established a comprehensive risk management system to ensure our stable operation. This system comprises the Board of Directors, the Audit Committee, the Internal Audit Department, and various functional departments, all working collaboratively to uphold robust corporate governance.

The Board of Directors oversees the overall risk management strategy and sets the Company's risk management objectives. The Audit Committee reviews the risk management framework and reports its findings to the Board. The Internal Audit Department leads and supports risk management efforts by regularly assessing the effectiveness of risk management processes and providing reports to the Audit Committee. Functional departments, under the coordination and supervision of the Internal Audit Department, implement risk management initiatives within their respective areas.



#### Kangda International Risk Management Structure



We annually engage third-party organizations to assess and review our risk management practices through evaluations and risk surveys, culminating in comprehensive risk reports. These assessments enable us to identify potential risks and implement targeted controls, enhancing our risk awareness and management capabilities to safeguard the interests of the Company and all stakeholders.

During the reporting period, we conducted comprehensive compliance audits across the entire company, completed corrective action audits for 10 companies, performed special audits on 15 engineering projects, carried out engineering cost supervision for 4 design-bid-build projects, and executed post-investment evaluations for 4 investment projects. For each audit, we issued specific recommendations and mandated that the involved project companies and relevant personnel promptly address any identified issues.



# Pursuing Excellence

We uphold the core philosophy of “Creating a First-Class Environmental Protection and Creating a Century Enterprise”, transitioning from traditional water treatment to comprehensive urban ecological services. We drive development through technological innovation, establishing a quality management system that spans the entire project lifecycle. By collaborating with governments, enterprises, and research institutions, we work to create a smart and sustainable model for urban environmental governance.

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## 2.1 Quality Management

We regard quality management as the lifeblood of corporate development, consistently striving for excellence. We have established a robust quality management system and improved the management system, implementing scientific objectives and comprehensive responsibility to achieve full-chain control from project construction to operational maintenance. This approach lays a solid foundation for our sustainable development.

### 2.1.1 Project Construction

We strictly adhere to national laws and regulations such as the *Construction Law of the People's Republic of China*, the *Regulation on the Quality Management of Construction Projects*, and the *Compulsory Provisions of Engineering Construction Standards (Building)*, as well as industry standards, ensuring full compliance throughout the project implementation process. Before commencing construction, we obtain necessary administrative permits, including the *Construction Project Planning Permit*, the *Construction Land Planning Permit*, and the *Construction Permit for Building Engineering*, ensuring all projects meet legal requirements.

In 2024, to further enhance project quality, we revised 14 project construction systems, clarifying roles and standardizing workflows. We also restructured by merging the Engineering Management Department with the Construction Center to form the Engineering Construction Center, optimizing resource allocation and collaboration efficiency. Additionally, our multi-tiered inspection mechanism provides dynamic supervision of all construction phases, supporting continuous quality improvement.

In 2024, we further enhanced our quality management by adopting the ISO 9001:2015 international quality standard. We established a professional quality inspection team and developed a collaborative mechanism that combines administrative support with technical supervision. This approach integrates self-inspection with specialized quality inspections, providing robust assurance for the high-quality execution of our projects.

### Quality Management System

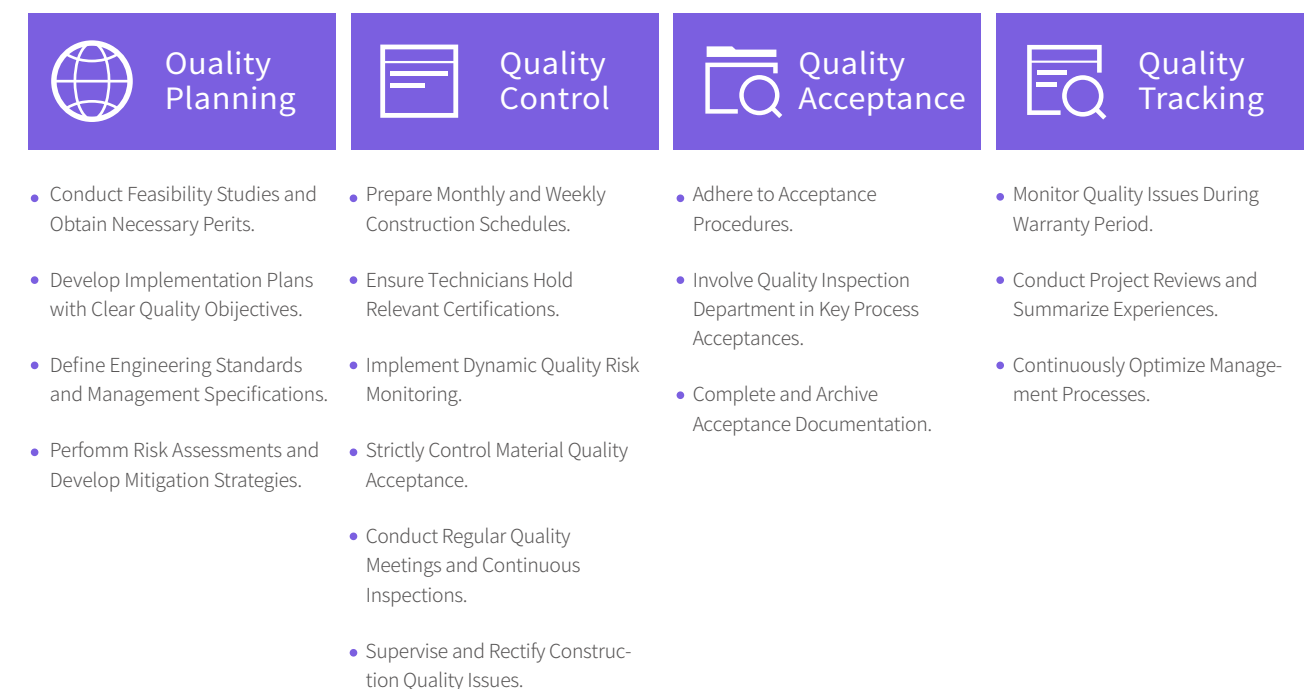


To continuously optimize project construction management and ensure delivery quality, we implement a regular quality inspection mechanism. Through quarterly and annual inspections, we rigorously benchmark against design drawings and mandatory standards, ensuring precise alignment between project implementation and design plans.



Additionally, to strengthen comprehensive control throughout the project construction process, we have established an ongoing quality supervision mechanism. This mechanism encompasses full-spectrum quality management of key stages—including construction preparation, material procurement, receipt inspection, warehousing logistics, construction operations, and final acceptance—to ensure the effective implementation of quality assurance measures at each phase.

### Project Construction Phase Quality Assurance Measures





## 2.1.2 Project Operations

We strictly comply with national laws and regulations such as the *Product Quality Law of the People's Republic of China* and the *Water Pollution Prevention and Control Law of the People's Republic of China*. In line with industry characteristics, we have developed internal management standards, including the *Technical Specification for Operation, Maintenance, and Safety of Urban Sewage Treatment Plant*, the *Operational Instruction for Equipment in Urban Sewage Treatment Plants*, the *Operation Instruction for Process in Urban Sewage Treatment Plants*, and the *Measure for the Administration of Facilities and Equipment*, aiming to continually enhance project operation management standards.

To establish a comprehensive operational management system, we have implemented a multi-tiered responsibility structure led by the Director of the Operations Department, supported by Deputy Directors, Managers, and District Directors. This structure ensures efficient supervision and precise technical support, guaranteeing the efficient and stable operation of sewage treatment plants and consistent compliance with effluent quality standards.

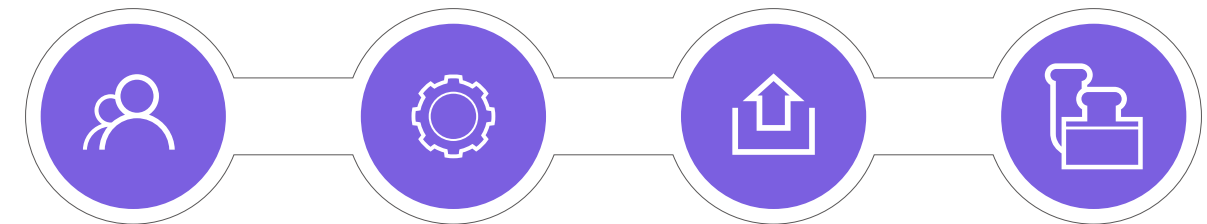
As of the end of the reporting period, we have maintained ISO 9001:2015 Quality Management System Certificate and have been evaluated for first-level operational service capability certification in industrial and domestic sewage treatment by the China Environmental Protection Association.

During the project operation phase, we implemented a series of quality assurance measures to ensure that the effluent from our sewage treatment plants meets the GB 18918-2002 *Discharge Standard of Pollutants for Municipal Wastewater Treatment Plants*. Throughout the reporting period, we did not receive any customer complaints.



Quality Management System Certificate

## Quality Assurance Measures in Kangda International's Project Operations



### Personnel Structure Optimization

Through systematic analysis of personnel structures, we adjust the allocation of professionals at water treatment plants to ensure role alignment and expertise, thereby providing human resource support for stable plant operations.

### Equipment Maintenance Management

We develop equipment maintenance plans and conduct monthly assessments to enhance equipment management, ensuring efficient and stable plant operations.

### Process Optimization and Enhancement

For plants facing compliance risks, we analyze existing processes and implement targeted optimization measures, including parameter adjustments and partial process modifications, to improve effluent quality stability and compliance rates.

### Reagent Management Strengthening

We refine the full-process management of reagents, implementing strict quality controls from procurement and sampling to dosing. Through multiple tests and meticulous management, we ensure reagent safety and continuously optimize sewage treatment processes.



## Annual Effluent Compliance Rate Targets and Achievements for 2024

### Target

Achieve a 99% effluent compliance rate for the entire year.

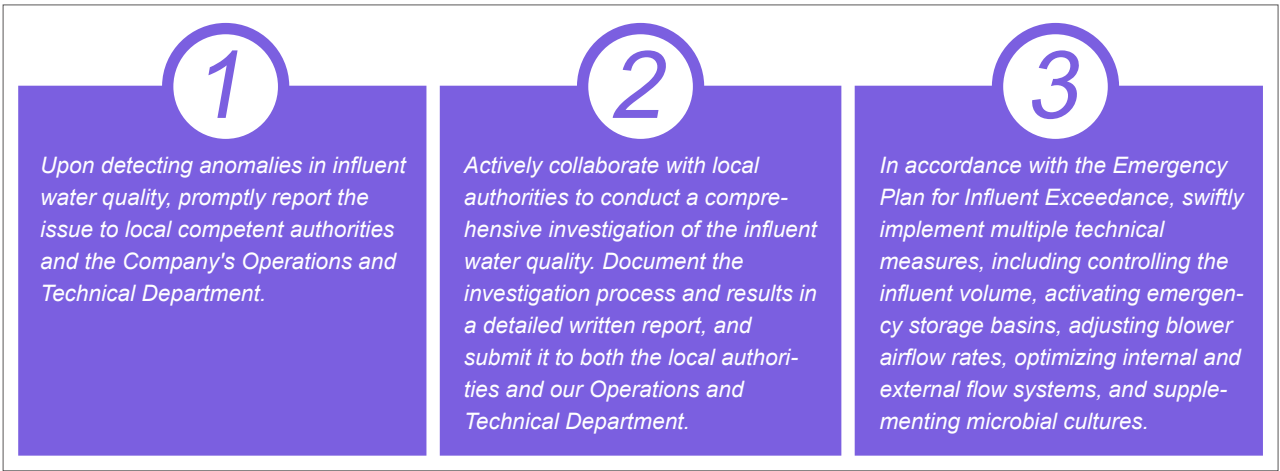
### Achievement

Attained a 99.5% effluent compliance rate throughout the year.

We continue to advance the development of our information management system by implementing an online data reporting platform. This platform standardizes the operational management of project companies, significantly enhancing operational efficiency and management standards. Leveraging online monitoring equipment, we comprehensively monitor influent and effluent water quality, as well as the quality of water treatment chemicals, establishing an intelligent water quality management system.




In response to anomalies in influent water quality, we have developed an *Emergency Plan for Influent Water Not Meeting Quality Standards*. This plan establishes a rapid response mechanism combining “intelligent early warning + manual adjustment” to ensure water quality safety and treatment efficiency.

### Influent Water Quality Exceedance Treatment Process



We regularly organize quality training sessions for our employees, covering topics such as operational management, quality enhancement, and process technology. These initiatives aim to bolster quality assurance capabilities and foster a culture of continuous improvement within the Company.

### 2024 Quality Management Related Training

 Operational Management	Training sessions encompass fee collection management, safety production, equipment management, and process control. The goal is to enhance employees' safety awareness and deepen their understanding of the hazardous operations inherent in the wastewater treatment industry, along with preventive measures.
 Quality Enhancement	Focused on construction quality management, these sessions address civil engineering and installation quality standards, aiming to reinforce quality management consciousness and elevate engineering quality levels.
 Process Technology	Technical training concentrates on critical wastewater treatment issues, including biological treatment processes (A/A/O, MBR membrane technology), biochemical system operation management, sludge treatment and dewatering techniques, and strategies for energy conservation. These sessions are designed to cultivate refined process management skills.

## 2.2 Intellectual Property Protection

We recognize that a robust intellectual property management system is a crucial foundation for technological innovation. We strictly adhere to relevant laws and regulations, including the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, and the *Anti-Unfair Competition Law of the People's Republic of China*, systematically regulating the process of intellectual property application and approval to provide strong support for the application of technological innovations.

In terms of intellectual property protection, we focus on trademark registration, patent applications, and other key areas, continuously strengthening our intellectual property management and protection. As of the end of the reporting period, we have accumulated 14 patents, and our water services operation companies hold 27 patents, bringing the total to 41 patents.

Furthermore, to enhance our core competitiveness and promote sustainable development in the industry, we actively drive the commercialization of innovation achievements. We continue to advance process technology innovation by systematically improving treatment processes and optimizing operational parameters, achieving remarkable results. In practice, we have not only improved wastewater treatment efficiency and optimized effluent quality but also significantly reduced the amount of chemical additives used, providing valuable practical experience for technological progress in the water treatment field.







## 2.3 Supply Chain Management

We adhere to the principles of sustainable development by establishing a comprehensive supplier evaluation system, aiming to build a reliable and efficient supply chain. We implement a strict supplier management system that conducts comprehensive evaluations across multiple dimensions, including project quality, safety management, and civilized construction, continuously enhancing the professionalism of supplier management. To promote the sustainable development of the supply chain, we focus on the suppliers' performance in environmental protection, social responsibility, and corporate governance, using these as key indicators for supplier evaluation.

We have implemented management policies such as the **Supplier Management System** and the **Contractor Management System** to provide systematic operational guidelines and work standards for the full lifecycle management of suppliers, clearly defining management requirements at each stage to ensure the orderly development of supplier management.

We apply stringent entry and screening management for all types of suppliers, conducting comprehensive qualification reviews and capability assessments to ensure that suppliers meet our standards. At the supplier admission stage, we require all suppliers to pass the three-system certifications for quality, environment, and occupational health and safety, as well as possess the required national qualifications. Additionally, we mandate regular training and safety education for suppliers in specialized positions to improve their overall capabilities.

### Equipment Supplier Selection

 <b>Qualification Assessment</b>	<p>We conduct a comprehensive evaluation of the supplier's manufacturing capability, market influence, and customer reputation to ensure the selection of reliable and capable partners.</p>
 <b>Quality Control</b>	<p>We establish strict technical performance standards and set clear requirements for the material and brand of core components, ensuring quality control from the source and effectively reducing equipment failure rates.</p>

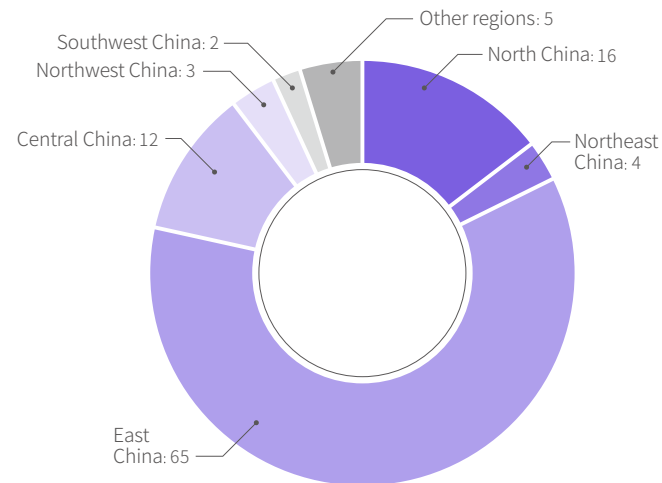
We systematically identify environmental and social risks in the supply chain through diversified methods. Our focus is on suppliers' environmental compliance and labor rights management practices. We implement a tiered management system to build a sustainable supply chain. At the same time, a multi-dimensional evaluation mechanism is established, with dynamic tiered management for suppliers based on the cooperation model and business needs. Full-cycle, meticulous control is achieved through performance tracking, risk warnings, and other processes.



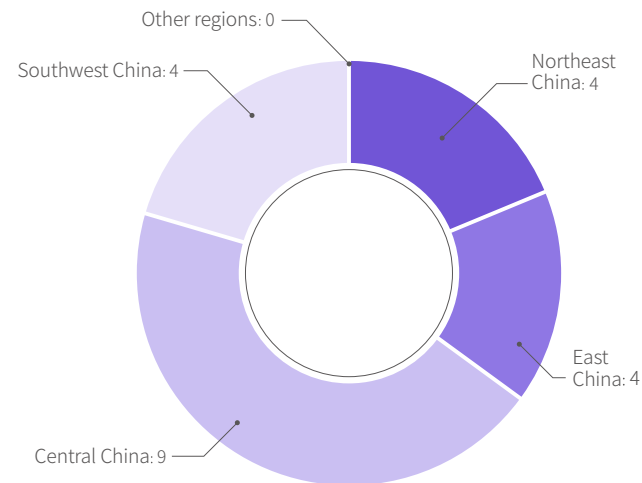
We have established a comprehensive annual supplier evaluation mechanism. At the end of each year, all suppliers and contractors involved in construction projects are subject to a thorough assessment. The evaluation covers key indicators such as safety management, civilized construction, engineering quality, construction progress, cost control, and financial performance. The evaluation results will serve as an important basis for determining future cooperation. For suppliers who fail the evaluation, a rectification notice will be issued, and we will closely monitor their progress. Suppliers who do not meet the rectification requirements or fail to complete the rectification on time will have their cooperation with us terminated.

As of the end of the reporting period, we have a total of 210 suppliers, with the specific distribution and certification status outlined below.

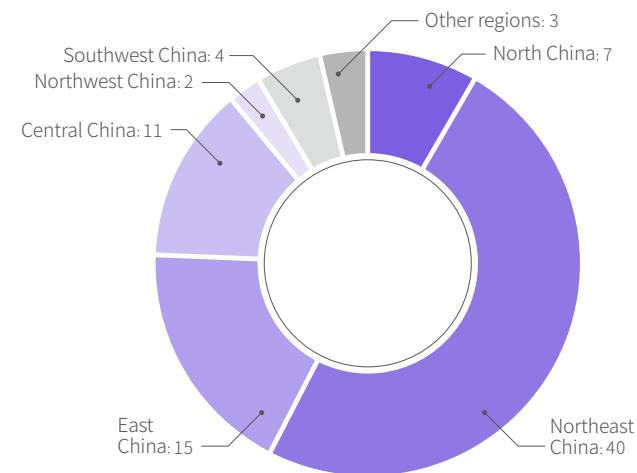
### Distribution of equipment suppliers during project construction



### Distribution of engineering contractors during project construction



### Distribution of chemical suppliers during project operations



### Kangda International Supplier Certification Proportions

	Proportion Certified by ISO 9001		Proportion Certified by ISO 14001		Proportion Certified by Other ISO Systems	
Equipment Suppliers	95.33%	102	92.52%	99	90.65%	97
Engineering Contractors	57.14%	12	57.14%	12	57.14%	12
Chemical Suppliers	7.32%	6	4.88%	4	13.41%	11



## 2.4 Industry Cooperation

We always adhere to the open and win-win philosophy, leveraging our business strengths to actively engage in industry exchange and collaboration. We deeply participate in industry forums, continuously exploring new models for the integration of industry, academia, and research, and working together with our partners to build a sustainable industry ecosystem.

We understand that strengthening industry cooperation is key to responding to market changes and maintaining innovation vitality. It is also the essential path for promoting high-quality development of the Company. In the process of collaboration, we focus on playing the leading role of the enterprise, empowering industry development with our mature operational experience, and achieving mutually beneficial outcomes through complementary advantages.

### Kangda International's Participation in Various Government and Industry Exchange Events in 2024

From April 10th to 12th, 2024, we attended the 6th Ecological Environmental Protection Industry Innovation and Development Conference in Beijing. The event focused on the theme “Promoting Technological Innovation to Cultivate New Quality Productive Forces and Accelerate the Construction of a Modern Environmental Protection Industry System”. The conference explored topics such as ecological environmental protection industry policies, technology, and innovation, contributing to green transformation.

At the conference, we were awarded the China Ecological Environmental Protection Industry Integrity Construction Contribution Award for our outstanding contributions to technological progress, quality improvement, credit building, and industry development over the years.



On December 26th, 2024, we attended the 2nd Meeting of the 5th Session Member Representative Conference and the Third Board Meeting of the Chongqing Environmental Protection Industry Association, further deepening our cooperation with association members and enhancing our influence in the environmental protection industry.



In August 2024, we participated in the Zhejiang Province Urban Water Industry Association's Annual Meeting of the Sewage Treatment Work Committee and the Urban Drainage and Sewage Treatment Operation Management Seminar, actively strengthening industry communication and deepening technical exchanges.





# Cultivating Talent as the Cornerstone

Kangda International views employees as the core driving force behind the Company's development, adhering to the principle of “putting people first” and fully promoting talent management. We are committed to safeguarding employees' legal rights, creating an inclusive and equal work environment, and helping employees grow alongside the Company as we move toward a brighter future together.

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## 3.1 Employment

We adhere to the principles of legal and compliant employment, attracting diverse, high-quality talent, offering a fair and transparent recruitment process, and providing a good career development platform to ensure employee rights and benefits.

### 3.1.1 Compliant Employment

We comply with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Social Insurance Law of the People's Republic of China*, the *Work Injury Insurance Regulations*, and other laws and regulations, continuously improving the internal management system. We have developed regulations such as the *Staffing Management System*, the *Recruitment Management System*, and *Employee File Management Measures* to strengthen the compliant employment mechanism and ensure the protection of employees' legal rights.

In our employment practices, we strictly adhere to the laws and regulations such as the *Law of the People's Republic of China on the Protection of Minors* and the *Prohibition of Child Labor Regulations*. We resolutely prevent any form of child labor or forced labor. To ensure compliance, we have strengthened the verification process for applicants' identities, implementing multiple verification mechanisms to eliminate illegal practices such as child labor. In 2024, we maintained a 100% coverage rate for employee social insurance and a 100% labor contract signing rate.

We advocate for a diverse employment approach, treating employees of different nationalities, ethnicities, races, genders, religious beliefs, and cultural backgrounds equally, and firmly opposing any form of discrimination. We foster an inclusive and open work environment through regular training and cultural exchange activities, ensuring that each employee can contribute their value in an atmosphere of fairness and respect.

To effectively protect employee rights, we have further improved our grievance mechanism, setting up a 24-hour complaint hotline and dedicated email. We stipulate that relevant departments must initiate an investigation immediately upon receiving complaints related to employee rights, ensuring that issues are addressed promptly and fairly to protect employees' legal rights.

During the reporting period, we did not have any violations related to child labor or forced labor. We will continue to advance compliant employment practices with high standards and strict requirements, creating a safer and fairer working environment for employees.



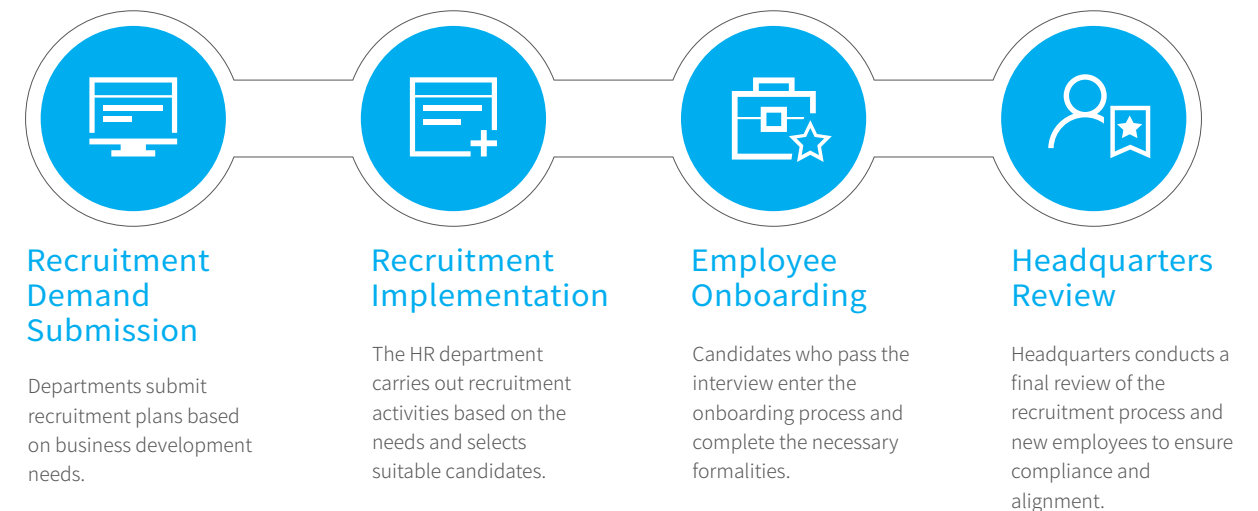
### 3.1.2 Talent Recruitment

We are committed to building a fair and transparent talent recruitment system, actively attracting outstanding talents who align with our values, and continuously improving the talent pipeline to provide solid support for our high-quality development.

In 2024, we further optimized our recruitment strategy by adding new social recruitment platforms to the existing channels and launching an employee referral program, expanding the avenues for talent acquisition. Through diversified recruitment channels and precise job matching, we successfully attracted more outstanding talents who resonate with our culture, infusing fresh blood into our development.



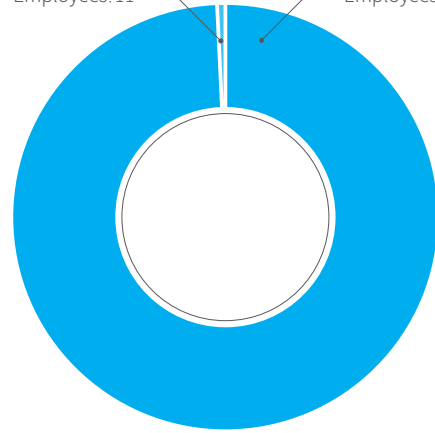
#### Kangda International Talent Recruitment Process



As of December 31, 2024, we employ a total of 2,285 people. The following is the breakdown of employees by employment type, gender, age, level, and region:

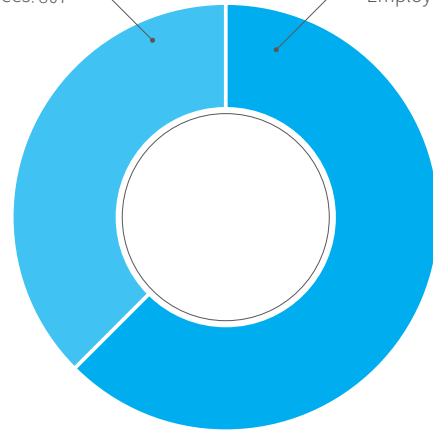
### Employee Breakdown By Employment Type (Unit: People)

Part-time Employees: 11  
Full-time Employees: 2,274



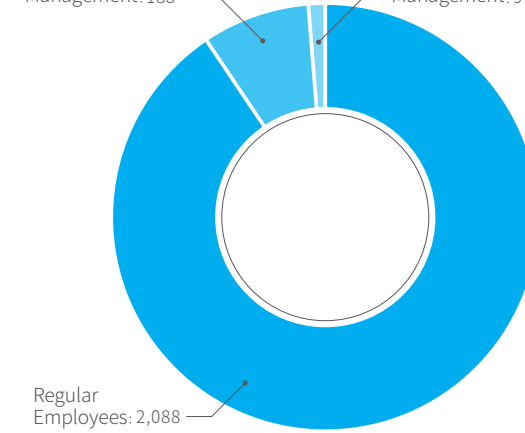
### Employee Breakdown By Gender (Unit: People)

Female Employees: 807  
Male Employees: 1,478



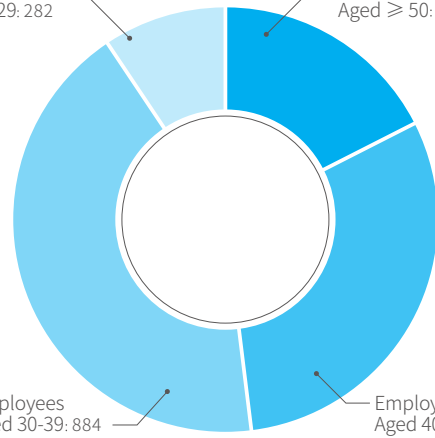
### Employee Breakdown By Level (Unit: People)

Mid-level Management: 188  
Senior Management: 9  
Regular Employees: 2,088



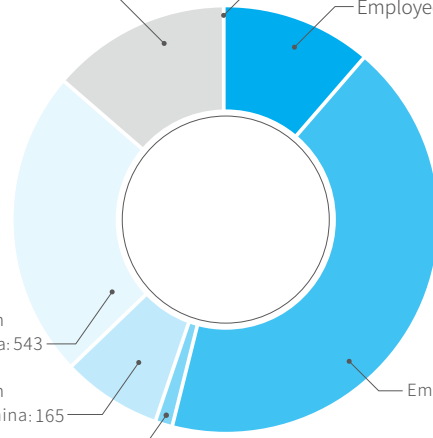
### Employee Breakdown By Age (Unit: People)

Employees Aged ≤ 29: 282  
Employees Aged ≥ 50: 394  
Employees Aged 30-39: 884  
Employees Aged 40-49: 725



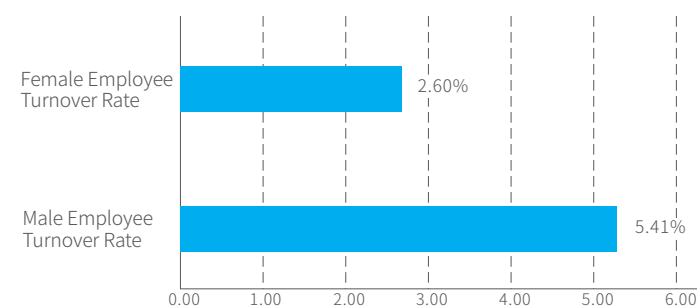
### Employee Breakdown By Region (Unit: People)

Employees in Southern China: 310  
Employees in North China: 257  
Employees in East China: 976  
Employees in Central China: 543  
Employees in Northeast China: 165  
Employees in Northwest China: 30  
Employees in Other Regions: 4

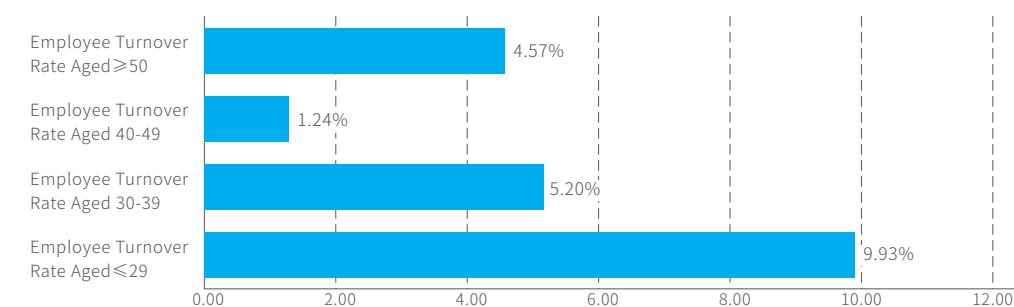


The overall employee turnover rate for Kangda International in 2024 is 4.42%, as shown below:

### Employee Turnover Rate By Gender (%)



### Employee Turnover Rate By Age (%)








## 3.2 Employee Development

We adhere to a people-oriented management philosophy and focus on building a fair and transparent career development platform. Through a comprehensive compensation and performance assessment system and diversified employee development mechanisms, we aim to unlock employees' potential and help them realize personal value and growth.

### 3.2.1 Compensation and Performance Assessment

We actively build a scientific and transparent compensation and performance assessment system. During the reporting period, we established the **Semi-Annual Performance Evaluation Management Measures** to define the frequency, process, and standards of performance evaluations, ensuring fairness and transparency throughout the assessment process. We evaluate employees through a multi-dimensional comprehensive assessment system, including professional skills testing, self-assessment, and management reviews, to comprehensively measure employees' work capabilities and development potential, providing a scientific basis for salary adjustments and career advancement.

#### Employee Performance Assessment Dimensions

 Professional Skills Testing	Covers job responsibilities, operational techniques, equipment operation standards, etc. Employees' professional abilities are assessed through closed-book exams.
 Self-Assessment	Employees assess themselves from dimensions such as job competence, work ability awareness, and career planning, encouraging self-reflection and improvement.
 Management Evaluation	Direct leaders and senior management conduct a comprehensive evaluation from dimensions such as work ability, work attitude, team collaboration, and innovation capability, ensuring the comprehensiveness and objectivity of the assessment results.

### 3.2.2 Employee Cultivation

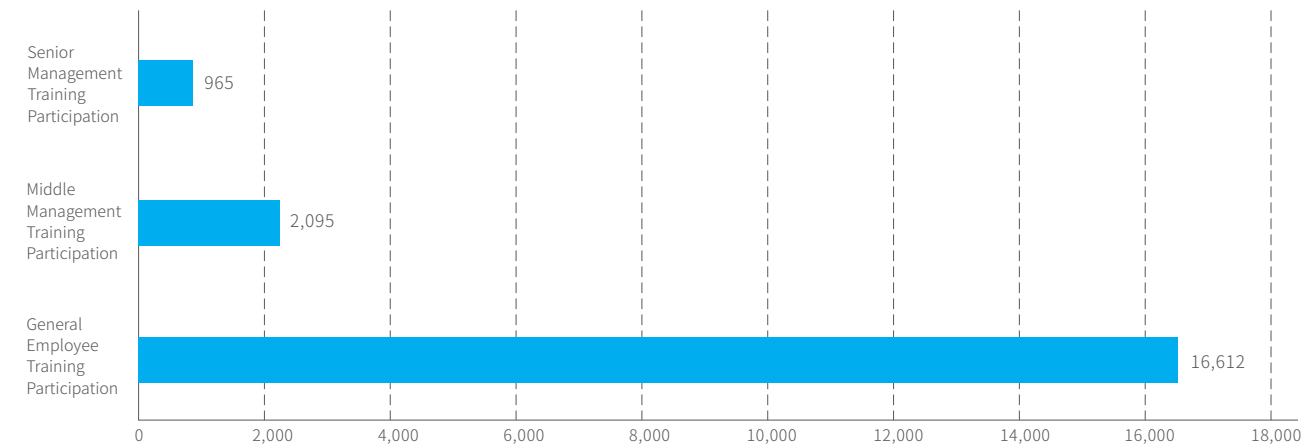
We view employees as our most valuable asset, focusing on their career development and skills enhancement. We implement the **Training Management System**, establishing a training system that covers various modules such as professional skills, leadership, and management communication, ensuring that the training content is comprehensive and practical.

#### Employee Training and Talent Development

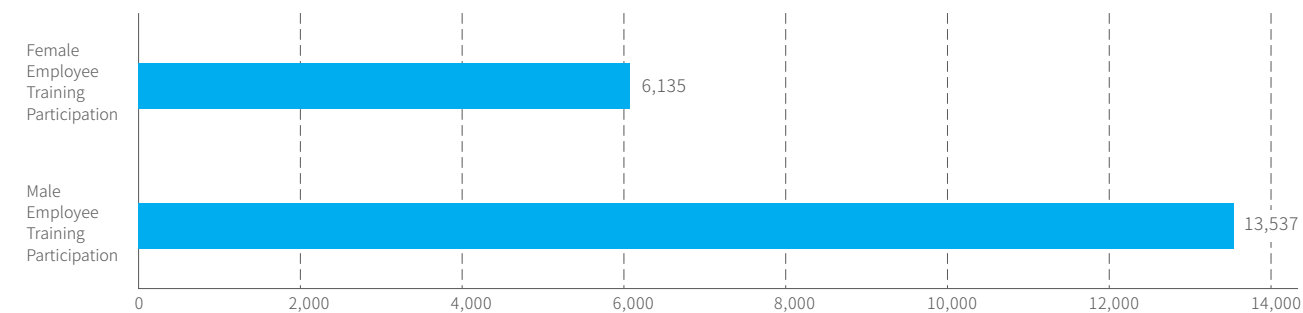


In 2024, employees of Wenzhou Chuangyuan Water Co., Ltd. were honored with the titles of “Zhejiang Craftsman” and “Ouyue Craftsman”, showcasing our outstanding achievements in talent development. During the reporting period, we trained a total of 19,672 person-times, with a total training duration of 42,031 hours, resulting in an average of 18.39 hours of training per employee.

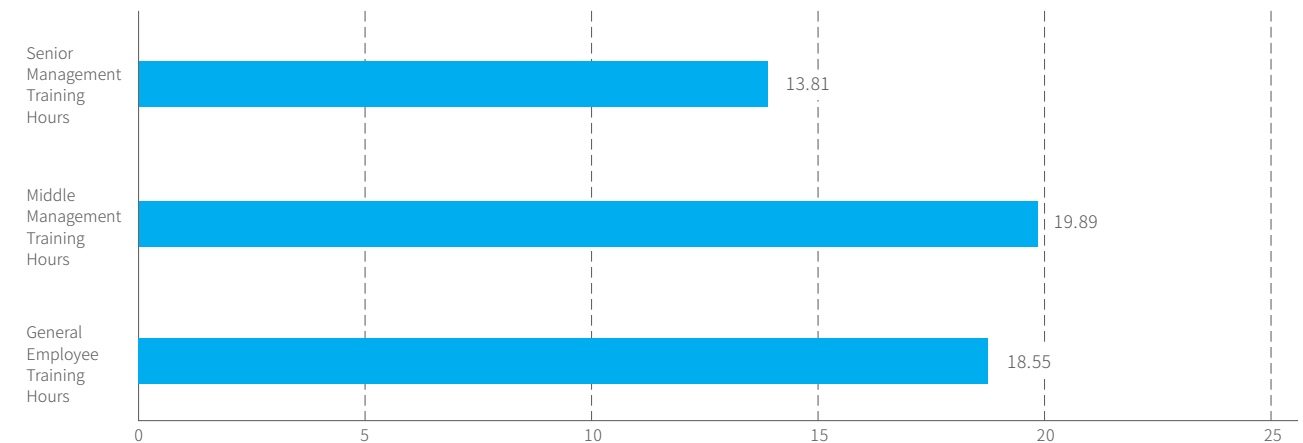
### Training Participation Breakdown By Level (Unit: Person-Time)



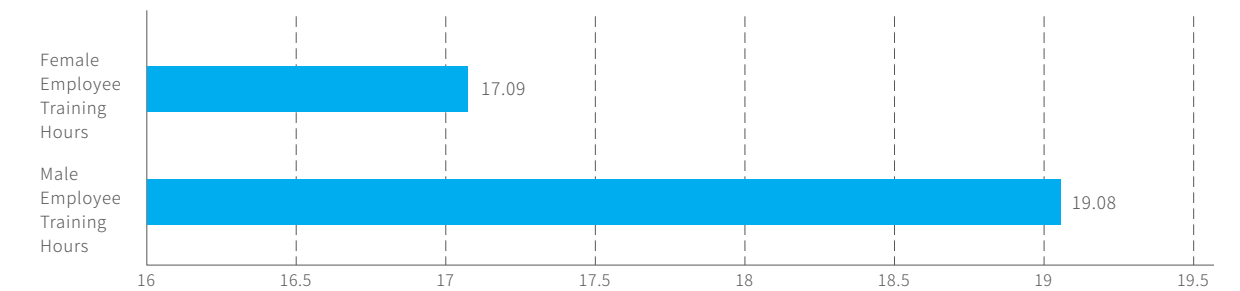
### Training Participation Breakdown By Gender (Unit: Person-Time)



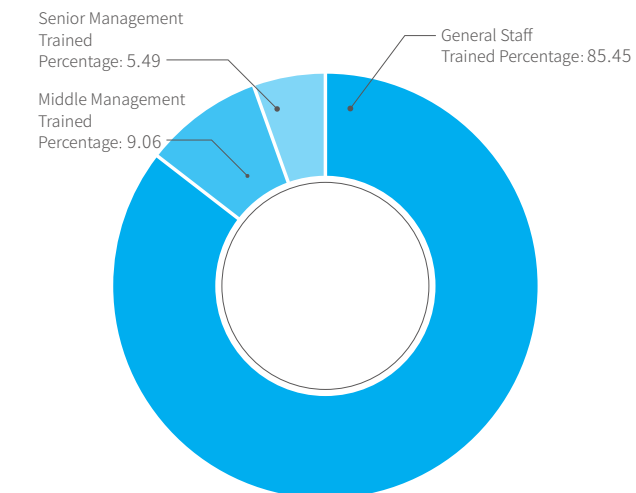
### Training Duration Breakdown By Level (Unit: Hours)



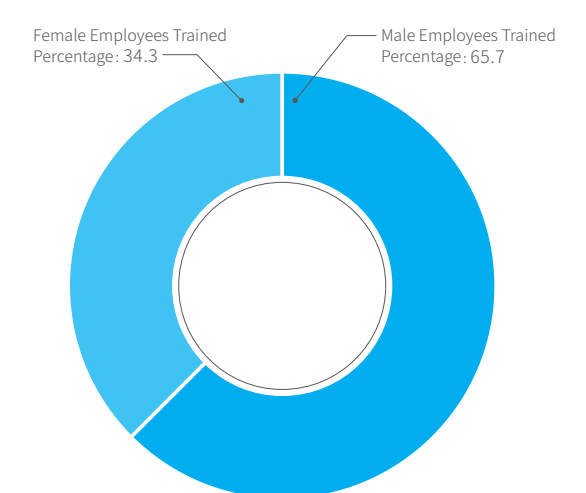
### Training Duration Breakdown By Gender (Unit: Hours)



### Percentage of Trained Employees By Level (Unit: %)



### Percentage of Trained Employees By Gender (Unit: %)





## 3.3 Employee Care

Kangda International firmly believes that employees are the cornerstone of the Company's sustainable development. We integrate employee care into our business strategy, creating an equal, diverse, and vibrant work environment for our staff.

### 3.3.1 Employee Benefits

We strictly comply with national laws and regulations such as the *Labor Contract Law of the People's Republic of China* and the *Social Insurance Law of the People's Republic of China*, and implement internal systems such as the *Regulations on Salary Management for Member Enterprises (Revised)*. We continuously improve the employee benefits system, aiming to provide comprehensive and diverse welfare support to enhance employee happiness and sense of belonging.

#### Employee Benefits System

##### Compensation & Benefits

- **Basic Guarantees:** Legally required social insurance and housing provident fund contributions, along with allowances for communication, transportation, and expatriate assignments.
- **Holiday Care:** Holiday benefits are provided during traditional festivals like Spring Festival, Dragon Boat Festival, and Mid-Autumn Festival, along with birthday allowances for employees.
- **Quarterly Benefits:** Employees can easily purchase quarterly welfare items through the Company platform.
- **Special Allowances:** High-temperature allowances, cooling beverage expenses, heating allowances, and others are provided to employees.
- **Female Care:** Female employees receive allowances on International Women's Day.

##### Non-Monetary Benefits

- **Health Care:** Fitness facilities are provided, and employees are encouraged to actively participate in sports and exercise.
- **Family Care:** Milk and other products are provided for children of employees under 14 years old.
- **Team Building:** Regular sports competitions and other team-building activities are organized.
- **Environment Creation:** The rooftop garden is regularly maintained to provide employees with a comfortable rest area.

### 3.3.2 Employee Communication

We place high importance on employees' opinions and concerns, actively building an efficient communication mechanism to establish a bridge of trust and understanding between the Company and employees. We listen attentively to employees' voices through diverse communication channels, promptly respond to their concerns, and create an open and transparent work environment to foster mutual growth between the Company and employees.

#### Communication Channels and Initiatives

##### Diverse Communication Channels

- **Offline Channels**
  - Employee suggestion boxes are set up in various office areas and production lines to allow employees to provide feedback and suggestions at any time.
  - Regular grassroots surveys are conducted to gain a deeper understanding of employees' concerns regarding labor contract management, vacation policies, and other aspects.
  - Management holds face-to-face meetings with employees in informal settings, such as during intermissions at the cafeteria or sports events, to listen to employees' real demands and understand their career development needs.
- **Online Channels**
  - A direct email channel to the CEO is provided, allowing employees to communicate issues directly with senior management.
  - An employee appeal mechanism is established to conduct independent and fair investigations of each reported issue. All complaints are handled based on principles of "authenticity, confidentiality, and effectiveness" to ensure the protection of employee rights.

##### Regular Communication Initiatives

- Collecting employees' feedback and suggestions regularly regarding company management, work environment, benefits, and other aspects.
- Establishing a rapid response mechanism to promptly address and implement solutions to reasonable employee demands.
- Enhancing information transparency by using internal platforms, bulletin boards, and other methods to timely communicate our development strategy, operational status, and important decisions to employees.

### 3.3.3 Employee Care Activities

We not only focus on employees' career development but also prioritize their physical and mental health and overall quality of life. Through a variety of care initiatives, we work to create a warm and caring work environment for our employees. We provide timely support and care when employees face difficulties, such as offering condolence payments to the families of deceased employees, demonstrating our warmth and compassion through actions.

At the same time, we actively organize a range of engaging employee activities, including Mid-Autumn Festival riddles, Dragon Boat Festival rice dumpling-making, long-distance runs, football matches, and basketball games. These activities promote healthy living, strengthen team cohesion, and enhance employees' sense of happiness.



Football Match



Basketball Game

## 3.4 Employee Health

We regard occupational health and safety as a prerequisite for ensuring both the health of our employees and the stable development of our business. We strictly adhere to national safety production laws and regulations, establish comprehensive internal safety management systems, and regularly conduct safety training and drills to improve employees' safety awareness and emergency response capabilities. Additionally, we place great importance on occupational health and integrate employee health management into our corporate development strategy.

### 3.4.1 Safety Production

We prioritize safety production by continuously improving the safety management system, fully implementing safety operating procedures, and consistently strengthening employee safety training and emergency drills to ensure the effective implementation of safety measures.

We comply with the *Work Safety Law of the People's Republic of China*, the *Measures for the Administration of Contingency Plans for Work Safety Accidents*, and other relevant laws and regulations. We enforce safety management systems and clarify safety responsibilities at every production and construction stage. Furthermore, each year, we sign **Operation Target Responsibility Letter** and **Safety Responsibility Letter** with each operating company to implement safety management goals at all levels, ensuring the health and safety of employees and providing a solid foundation for our stable operation.

We prioritize safety production, rigorously implementing measures such as hidden danger investigation, hazard source control, safety training, and drills to comprehensively improve safety management levels and create a safe and reliable working environment for our employees.

### Safety Production Management Measures



#### Safety Hazard Inspection and Rectification

- Conduct daily safety inspections and record findings, issuing rectification notices for issues that are not promptly rectified.
- Perform special safety inspections during holidays, before resuming work, and during routine patrols.
- Inspection frequencies include daily patrols by dedicated safety officers, weekly checks by technical supervisors, monthly inspections by project leaders, irregular inspections by safety engineers and deputy directors, and semi-annual or annual inspections led by the general manager.



#### Hazard Source Identification & Preventive Measures

- Regularly identify hazards related to chemical storage and usage, as well as mechanical equipment operation on construction sites, and implement corresponding preventive measures.
- Implement special rectifications for high-risk areas, such as foundation pit edge protection and chemical storage.



#### Safety Drills and Training

- Conduct monthly safety training sessions and provide safety education and technical briefings for new workers on site.
- Organize comprehensive safety emergency drills, including environmental emergency response drills, hazardous waste disposal drills, and confined space operation safety management drills.
- Provide internal training on operating procedures and safety emergency knowledge.



### Fire Safety Drills to Enhance Emergency Response Capability

To improve all employees' fire safety awareness and emergency response capabilities, Leping City River and Lake Ecological Environment Governance Co., Ltd. has developed a fire emergency rescue plan and conducted joint fire emergency drills. The drill simulated an electrical fire in the office area, covering fire alarm procedures, the use of fire extinguishers, personnel evacuation, and emergency rescue steps. This drill not only tested the operability of the emergency plan but also provided strong support for ensuring safety in production.



3.4.2 Occupational Health



We comply with the *Occupational Disease Prevention and Control Law of the People's Republic of China*, the *Occupational Health Examination Management Measures*, and other national laws and regulations. We have established and perfected an occupational health management system and implemented comprehensive measures to prevent occupational health risks, creating a safe and healthy working environment for our employees.




We have developed a comprehensive *Occupational Health and Safety Management System* and have successfully passed the annual audit for ISO 45001: 2018 Occupational Health and Safety Management System certification. We continually optimize our occupational health management system. Regular internal audits and external evaluations are conducted to ensure the system's effective operation and provide solid protection for employees' occupational health.



Occupational Health and Safety Management System Certificate

Occupational Health Prevention Measures

 Health Checkups & Record Management	<ul style="list-style-type: none"><li>Implement annual health checkups for employees, focusing on frontline workers exposed to occupational disease hazards. Special health checks for occupational diseases are conducted to ensure early detection and intervention of health issues.</li><li>Establish labor health occupational disease records to dynamically record employees' health data, regularly analyze and research this data, and propose and verify effective occupational health management measures.</li></ul>
 Safety Training & Awareness Education	<ul style="list-style-type: none"><li>Organize specialized training for all construction site management personnel, centered around the theme of "Everyone talks Safety, Everyone Knows Emergency — Ensuring the Lifeline" during the Safety Production Month.</li><li>Starting from 2024, Wenzhou Chuangyuan Water Co., Ltd. conducts monthly safety production re-education activities for all employees and organizes relevant assessments, which are incorporated into employees' performance evaluations.</li><li>Regularly carry out publicity on occupational disease prevention and treatment knowledge to enhance employees' awareness of preventing occupational diseases.</li></ul>

 Labor Protection and Work Environment Optimization	<ul style="list-style-type: none"><li>Regulate the distribution and management of personal protective equipment (PPE), providing employees with the necessary protective gear, regularly inspecting, and replacing it in a timely manner.</li><li>Install safety guardrails and other protective facilities at construction sites to optimize the working environment for employees.</li></ul>
 Ensuring Employee Food Safety & Health	<ul style="list-style-type: none"><li>Organize health certificates for canteen staff to ensure the safety and hygiene of meals.</li></ul>
 Occupational Health Monitoring & Rights Protection	<ul style="list-style-type: none"><li>Conduct occupational health monitoring, organize pre-employment and regular health checks for employees exposed to toxic or harmful substances, and follow up with re-examinations and visits for workers diagnosed with occupational diseases.</li><li>Protect the legal rights of employees with occupational diseases, ensuring they receive the state-prescribed workers' compensation or occupational disease benefits.</li></ul>

Over the past three years, there have been no work-related deaths of employees at Kangda International.

Occupational Health & Safety Metrics

Occupational Health & Safety Metrics	2024
Number of Work-related Injuries (persons)	11
Lost Work Hours Due to Injuries (hours)	4,134
Number of Commuting Traffic Accidents (cases)	3



# Protecting Our Green Homeland

We adhere to the concept of green development, leveraging advanced environmental protection technologies and innovative processes to actively promote energy conservation and emission reduction practices, injecting momentum into the construction of an ecological civilization. We have established a comprehensive environmental management system and fully implemented clean production and compliant emissions. In addressing climate change and protecting biodiversity, we are taking proactive steps to create a beautiful homeland with clear waters, green mountains, and blue skies, promoting sustainable development between humans and nature.

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Compliance with Emissions .....	63
Responding Climate Change .....	69
Biodiversity Conservation .....	78



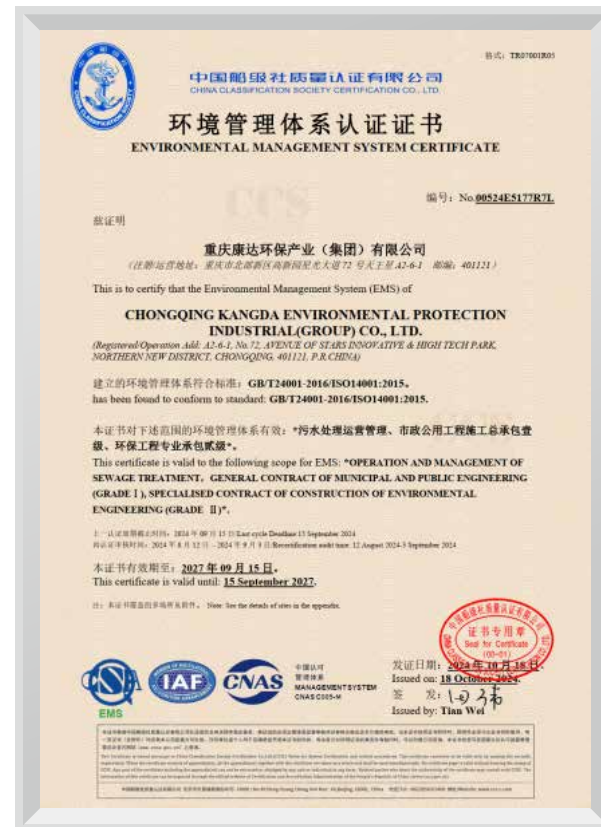
## 4.1 Environmental Management

As a company focused on integrated sewage treatment, we have always regarded environmental management as a vital foundation for sustainable development. Through systematic management and clear environmental objectives, we continuously optimize resource utilization and reduce our environmental footprint. We strictly enforce compliant emissions and efficient resource utilization, driving green operations and contributing to the protection of the ecological environment.



### 4.1.1 Systematic Management

We have always considered environmental protection as an essential foundation for sustainable development. We strictly comply with the *Environmental Protection Law of the People's Republic of China* and other relevant laws and regulations. Based on internal systems such as the *Environmental, Occupational Health and Safety Inspection System*, the *Environmental Factor, Hazard Source Identification and Evaluation Management System*, and the *Standardization Manual for Civilized Construction at Construction Sites*, we fully implement environmental management requirements. We have obtained ISO 14001 Environmental Management System Certification and have passed the annual audits continuously, ensuring the sustained and effective operation of our environmental management system.



Environmental Management System Certificate



### Environmental Management Principles

#### Production Operations

We actively promote the concept of green operations, improving environmental performance through energy conservation, emission reduction, efficient resource utilization, and optimization of the environmental management system, contributing to green and low-carbon development.

#### Project Construction

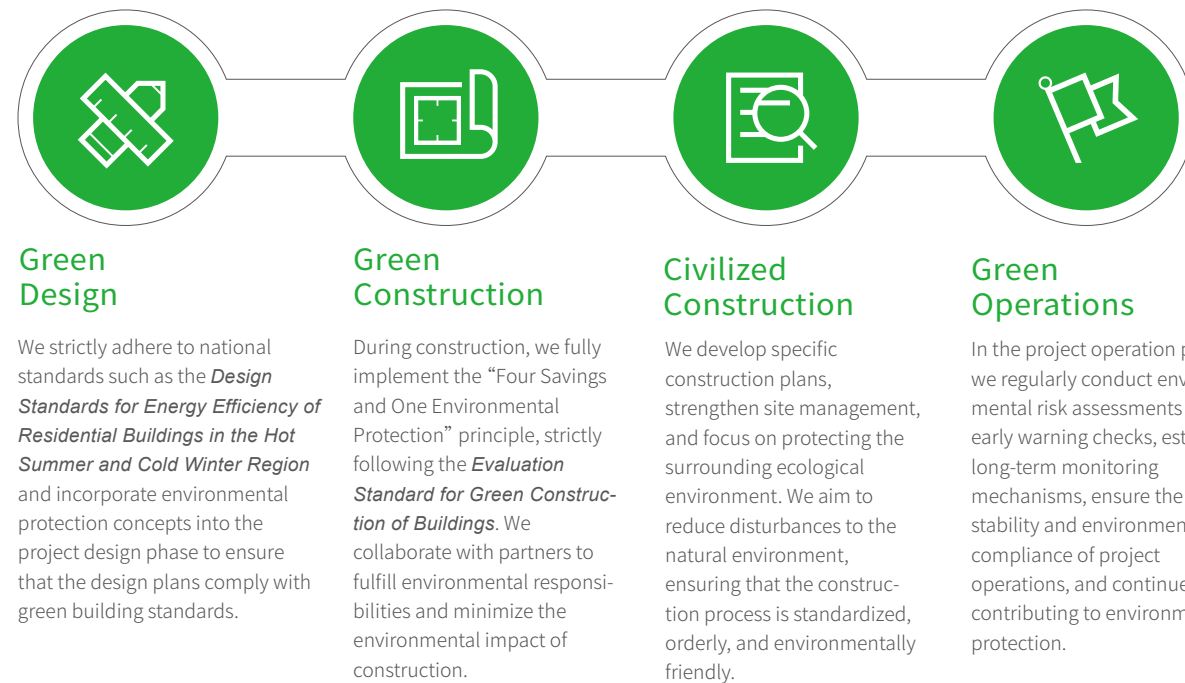
During the project construction phase, we implement the concept of green construction, focusing on resource conservation and environmental protection, minimizing the impact on the ecological environment to the greatest extent.

#### Daily Office Operations

We advocate a green office culture, encouraging employees to commit to energy-saving and consumption-reduction practices, fostering an environmentally friendly and low-carbon working environment.

## Full-Cycle Green Management

We integrate the concept of green development throughout the entire lifecycle of a project, from design, construction, and implementation to operations. We focus on energy saving, emission reduction, and efficient resource utilization, fully implementing our environmental responsibilities.



## Response to Environmental Violations

We have established a comprehensive mechanism for responding to environmental violations, ensuring swift action and proper handling to minimize environmental impact and continuously improve management measures when such incidents occur.

### Incident Reporting

Upon discovering an environmental violation, we immediately report it to the relevant authorities and internal management departments, providing detailed written explanations to ensure transparency and timely communication.

### Collaborative Handling

We actively engage with regulatory bodies, proactively submit hearing materials, and strive for fair and reasonable resolutions to ensure just and equitable handling of the incident.



### Emergency Response

We promptly activate emergency plans, implementing measures such as process adjustments and resource reallocation to effectively control the scope of the incident and prevent further escalation.

### Optimization & Enhancement

After resolving the incident, we conduct comprehensive reviews to analyze root causes, optimize management processes, upgrade monitoring equipment, and improve prevention mechanisms, continually enhancing our environmental management standards.

## 4.1.2 Environmental Goals

We integrate the green genes of “compliance, efficiency and innovation” into our corporate culture, focusing on three key areas: “energy conservation and consumption reduction”, “clean production”, and “circular development”. We explore technological and systematic solutions for environmental governance with the mission of “building a green ecology”. Through scientific planning and precise strategies, we continuously enhance our environmental governance capabilities, injecting corporate momentum toward achieving carbon neutrality.

Since 2021, we have focused on four core areas: water resources, energy, waste, and greenhouse gas emissions. We have established a comprehensive management system that, through technological innovation and process optimization, enables full-cycle green control from source control to end treatment.

## Four Environmental Goals and Actions





## 4.2 Resource Utilization

At Kangda International, we integrate sustainable development principles into every aspect of our operations. Through scientific planning and meticulous management, we optimize the use of water resources, office resources, and materials. Our commitment lies in minimizing resource consumption while ensuring efficient operations, thereby promoting our green transformation.

### 4.2.1 Water Resource Management

Recognizing the critical role of water resources in sustainable development, we are dedicated to optimizing and conserving water throughout our entire industry chain. We actively respond to water-saving policies such as the **National Water Conservation Action Plan**. Aligned with our operational characteristics, we have established internal systems including the **Water Conservation Management System**, **Regular Inspection System for Water-Using Equipment and Pipes**, and the **Manual on Water Conservation for Employees**, ensuring effective water resource management.

To achieve our water conservation objectives, we continually enhance water-saving technologies, promote water-efficient equipment, and implement various water-saving measures across production and office operations. These efforts collectively improve water resource utilization efficiency. During the reporting period, we achieved significant results in water resource management, with no incidents of non-compliance related to water acquisition or usage.

#### Water Conservation Measures



##### Production Water

- **Reclaimed Water Reuse System:** We promote reclaimed water reuse technology by utilizing treated effluent for site renovation, landscaping irrigation, and fire-fighting reserves.
- **Rainwater Harvesting:** Leveraging the site's topography, we have established a rainwater collection system. Collected rainwater undergoes sedimentation and filtration for non-production activities such as vehicle cleaning and dust control.
- **Cooling Water System Retrofit:** We have upgraded the magnetic coagulation flushing and cooling water supply systems, replacing tap water with treated effluent, significantly reducing water consumption.
- **Ecological Supplementary Water Cooperation:** In collaboration with local authorities, we channel reclaimed water into river ecological supplementation systems, greatly enhancing the aquatic environment.



##### Office Water

- **Promotion of Water-Saving Fixtures:** We have installed water-saving devices, such as sensor-operated faucets, throughout office areas to minimize water wastage due to human oversight.
- **Enhancement of Water Conservation Awareness:** Through initiatives like water conservation bulletin boards and advocacy letters, we continually raise employees' awareness of water-saving, fostering a culture of collective participation in water conservation efforts.



#### Kangda International Water Resource Consumption

Water Resource Indicators	2022	2023	2024
<b>Total water consumption</b> (ten thousand cubic meters)	48.40	43.72	43.70
<b>Water consumption intensity</b> (cubic meters per thousand cubic meters of water treated)	0.39	0.34	0.34

### 4.2.2 Office Resource Management

We adhere to the concept of sustainable development and actively implement green office initiatives. These initiatives encompass resource management, paperless operations, and low-carbon commuting, aiming to reduce environmental impact, enhance office efficiency, and create a healthier and more eco-friendly working environment for our employees.



#### Green Office Initiatives



##### Resource Management

- We offer direct drinking water facilities to employees in our office buildings, minimizing the use of bottled water and reducing plastic waste.



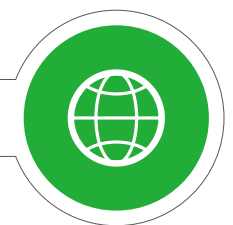
##### Energy Consumption Control

- We display energy-saving slogans in areas such as offices, meeting rooms, and restrooms, encouraging employees to develop habits like turning off lights and equipment when not in use to prevent energy wastage.
- We have adopted energy-efficient lighting and heating systems to improve energy utilization.
- We regulate the brightness and duration of nighttime lighting to avoid unnecessary electricity consumption.



##### Paperless Operations

- We encourage online meetings and the use of digital office systems to facilitate electronic document flow, thereby reducing the reliance on paper documents.



##### Low-Carbon Commuting

- We motivate employees to prioritize public transport, reducing the frequency of private car use.
- We support employees in purchasing new energy vehicles to lower carbon emissions during commutes.

### 4.2.3 Material Management

We place great emphasis on the standardization and sustainability of material management. By formulating comprehensive material management policies and promoting green construction concepts, we optimize the use of chemicals and construction materials, reduce resource waste, and achieve efficient material utilization. We have developed and implemented the *Chemicals Procurement Management Methods* and *Centralized Procurement Management Methods of Chemicals* to regulate the full-cycle management of chemical procurement, storage, usage, and disposal, ensuring the standardized use of chemical resources.

#### Chemical Management Measures

 <b>Procurement Management</b>	<ul style="list-style-type: none"> <li>We rigorously assess the qualifications of chemical suppliers to ensure reliable sourcing and compliance with quality standards.</li> <li>Upon receipt, all chemicals undergo quality inspections to confirm their suitability for intended applications.</li> </ul>
 <b>Usage Management</b>	<ul style="list-style-type: none"> <li>We develop scientific dosing plans, strictly controlling chemical usage to align with operational requirements.</li> </ul>
 <b>Storage and Disposal Management</b>	<ul style="list-style-type: none"> <li>We adhere to standardized storage protocols for chemicals, mitigating risks of leakage or contamination.</li> <li>We have established procedures for the compliant disposal of chemical waste, ensuring environmental safety.</li> </ul>

In managing construction materials, we consistently uphold green construction principles. Through scientific planning, judicious material selection, and efficient utilization, we aim to minimize resource consumption and waste. By optimizing material choices and promoting recycling technologies, we significantly reduce environmental impact, laying a solid foundation for achieving sustainable development goals.

#### Principles and Measures for Rational Use of Construction Materials

 <b>Selection of Construction Materials</b>	<ul style="list-style-type: none"> <li>Prioritize the use of steel molds and aluminum molds instead of traditional wooden molds to increase mold turnover rates and reduce resource waste.</li> <li>Actively use ready-mixed concrete to improve construction efficiency and ensure building quality.</li> <li>Promote the use of energy-saving and environmentally friendly materials such as high-durability bamboo and anti-corrosion boards, reducing dependence on traditional high-energy-consuming building materials.</li> </ul>
 <b>Recycling of Construction Materials</b>	<ul style="list-style-type: none"> <li>Increase the recycling rate of solid construction waste, such as crushed concrete, for use in temporary road paving or backfilling projects.</li> <li>Recycle waste steel bars for use in tie bars, stirrups, and other detailed structural elements, reducing the need for new material procurement.</li> <li>Use construction site fences, steel pipe protection, and molds multiple times to extend the service life of materials.</li> </ul>
 <b>Saving on Construction Land</b>	<ul style="list-style-type: none"> <li>Rent idle areas as temporary office spaces to reduce the need for temporary structures and minimize land occupation.</li> <li>Optimize the design of temporary facilities, planning them to occupy the least amount of land possible.</li> <li>Fully utilize existing residential buildings for functional purposes, avoiding the need to build new temporary structures.</li> </ul>



#### Kangda International Resource Consumption

Resource Consumption Indicators	Unit	2022	2023	2024
Paper Consumption	Tons	2.54	1.93	1.89
Metal Resource Consumption	Tons	5,135.00	2,867.00	2,865.00
Timber Resource Consumption	Tons	1,090.00	498.00	486.00
Plastic Resource Consumption	Tons	920.00	445.00	442.00
Lubricating Oil Consumption	Tons	24.03	23.57	23.33
Chemical Consumption	Tons	301,951.15	301,146.56	301,098.56
Construction Material Consumption (including earthwork, masonry, mortar, and concrete)	Tons	769,860.00	354,921.00	349,842.00





## 4.3 Compliance with Emissions

We regard environmental protection as a core responsibility of our development. We strictly adhere to national and local environmental protection regulations and have established a comprehensive control system covering wastewater, exhaust gas, solid waste, and noise. We aim to minimize environmental impact and promote the collaborative development of economic and ecological benefits.

### 4.3.1 Wastewater Emissions Control

We strictly comply with the *Water Pollution Prevention and Control Law of the People's Republic of China* and other related environmental protection regulations, consistently prioritizing wastewater discharge control in our environmental protection efforts. We continuously improve the efficiency and stability of wastewater treatment to ensure the effluent quality consistently meets or exceeds national standards, contributing positively to water resource protection and ecological improvement.

#### Wastewater Emissions Management Measures



##### Process Transformation to Improve Effluent Stability

- Implemented the addition of a nitrification liquid internal reflux system, making full use of the carbon sources in the inflow for denitrification.
- Reduced the use of external carbon sources by approximately 10%, significantly improving wastewater treatment efficiency and reducing operational costs.



##### Construction of Centralized Sludge Storage Tank

- During construction, we strictly control wastewater, and wastewater and pit dewatering are routed through the plant's return pipeline to the front end of the magnetic coagulation inflow, treated, and then discharged after meeting the standards.
- A centralized sludge storage tank is set up to settle and purify the slurry generated during construction, preventing environmental pollution.



##### Establishing a Standardized Wastewater Treatment Plant System

- Assisted relevant government departments in formulating a standardized wastewater treatment plant system and participated in experience-sharing activities for wastewater treatment plants.



Standardized System Construction for Wastewater Treatment Plants



#### Kangda International Wastewater Discharge

Wastewater Discharge Indicators	2022	2023	2024
Wastewater Discharge Volume (cubic meters)	1,250.00	650.00	630.00

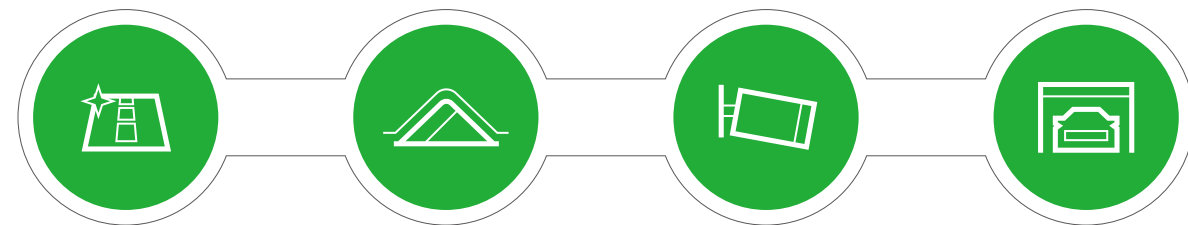
### 4.3.2 Air Emissions Control

We strictly adhere to the *Air Pollution Prevention and Control Law of the People's Republic of China* and other relevant environmental protection regulations. In accordance with operational management systems, we treat air emissions control as a key aspect of environmental protection efforts. We implement measures such as dust control and odor management to effectively reduce the impact of air emissions on the environment and surrounding communities.

We comprehensively implement measures such as water spraying for dust control, fog cannon spraying, dust monitoring, and vehicle washing to strengthen dust management at construction sites, ensuring that air quality meets environmental protection standards.



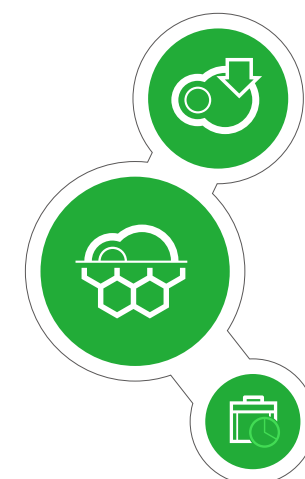
#### Dust Control Measures



- A water spraying dust suppression system is set up on the construction site, with dedicated personnel cleaning the roads daily to ensure no accumulated dust.
- Fog cannons are used for continuous dust suppression at the construction site, and fine mesh netting is used to cover exposed soil during the construction process to prevent dust dispersion.
- A dust monitoring system is installed to continuously measure the concentration of particulate matter such as PM2.5 and PM10. The data is uploaded to a cloud platform via IoT technology. When concentrations exceed the standard, the system automatically triggers an alert and notifies relevant personnel, ensuring timely corrective actions are taken to meet environmental protection requirements.
- A vehicle washing shed with automatic cleaning equipment is set up to wash all vehicles entering and leaving the site, preventing secondary pollution caused by vehicles.

We follow the *requirements of the Pollutant Discharge Standards for Urban Sewage Treatment Plants* (GB 18918-2002) and the *Odor Pollutant Emission Standards* (GB 14554-93). We regularly monitor the odor concentration around the plant boundary and upload the data to the pollutant discharge permit management platform.

#### Odor Emissions Control

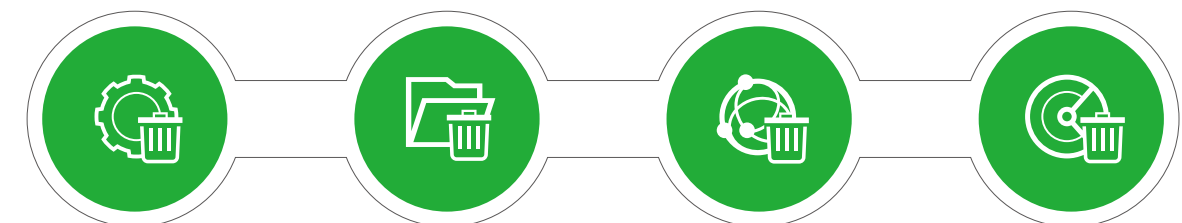


- We use high-efficiency deodorizing equipment to centrally treat the special gases generated during the wastewater treatment process, ensuring that the emissions meet the discharge standards.
- We employ a biological filtration deodorization process to efficiently treat odors generated during the wastewater treatment process.
- We regularly conduct odor concentration monitoring and assessments, optimizing the deodorization process in a timely manner to improve odor control effectiveness.

### 4.3.3 Solid Waste Control

We strictly adhere to the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* and other relevant laws and regulations. We have developed the *Manual for Hazardous Waste Management* to comprehensively standardize the processes of classification, collection, transportation, and disposal of solid waste. We adhere to the principles of “reducing waste volume, ensuring harmlessness, and transforming it into resources”, and through technological upgrades, resource recovery, and classification management, we aim to reduce the generation of solid waste and lay a solid foundation for building a green and sustainable waste management system.

#### Solid Waste Control



- |   |  |  |  |
|---|--|--|--|
| <h4>Technological Upgrades to Reduce Sludge Generation</h4> <ul style="list-style-type: none"> <li>• By optimizing the sludge dewatering process and reducing chemical reagent usage, we lower sludge generation and achieve efficient resource utilization.</li> <li>• We implement the “sludge concentration tank + centrifuge dewatering” process to significantly reduce the water content of sludge and decrease its volume.</li> <li>• The treated sludge is recycled, such as being used for brick production or soil improvement, promoting the circular use of waste.</li> </ul> | <h4>Waste Classification Management</h4> <ul style="list-style-type: none"> <li>• We set up waste classification areas in both the construction site and office areas, collecting hazardous waste, recyclables, and other waste separately to ensure proper disposal.</li> <li>• Construction waste, sludge, and other waste are segregated and centrally stored, using dedicated transport vehicles for disposal to ensure compliance.</li> </ul> | <h4>Soil Backfilling and Excavation Waste Transport</h4> <ul style="list-style-type: none"> <li>• Soil with good quality generated during construction is recovered and reused for backfilling pits and landscaping, reducing the need for purchased soil.</li> <li>• Brick debris, concrete blocks, and other construction waste are used for temporary road paving, improving resource utilization.</li> </ul> | <h4>Centralized Hazardous Waste Treatment</h4> <ul style="list-style-type: none"> <li>• Hazardous waste, such as printer cartridges and used batteries from offices, is collected regularly and handed over to qualified third-party companies for centralized treatment, ensuring harmless disposal.</li> </ul> |
|---|--|--|--|




<div>                      Kangda International Solid Waste Emission                 </div>				
Solid Waste Emission Indicators	Unit	2022	2023	2024
Domestic Waste Generation	Tons	368.46	265.25	255.09
Construction Waste	Tons	205.00	125.00	120.00
Non-Hazardous Waste Generation	Tons	573.46	390.25	204.00
Non-Hazardous Waste Generation Density	Tons / Thousand Cubic Meters of Water Treatment	0.0005	0.0003	0.0002
Hazardous Waste Generation	Tons	31.80	32.15	32.12
Hazardous Waste Generation Density	Gram / Cubic Meter of Water Treatment	0.0259	0.0252	0.0251


#### 4.3.4 Noise Control

We strictly comply with the *Law of the People's Republic of China on the Prevention and Control of Noise Pollution*, integrating noise management into our environmental governance system. Through technological upgrades and refined management, we effectively reduce noise pollution, creating a quiet and comfortable environment for employees and surrounding communities.


#### Noise Management Measures


**Equipment Upgrades:**  
 Replacing Traditional Blowers with Magnetic Suspension Blowers

- To address high energy consumption and excessive noise from traditional blowers, we have implemented a magnetic suspension blower replacement project. Screw blowers are gradually being replaced with high-efficiency, low-noise air suspension blowers to reduce operational noise.


**Construction Noise Control:**  
 Precision Noise Reduction Measures

- Low-Noise Equipment:** Using wire saws instead of traditional jackhammers and other low-noise construction machinery to minimize noise generation at the source.
- Soundproof Barriers:** Installing soundproof barriers at project sites to effectively block noise transmission.
- Time Management:** Strictly limiting nighttime construction to prevent disturbances to nearby residents.


**Real-Time Monitoring and Optimization**

- Deploying noise monitoring equipment at project sites to continuously track noise levels and ensure compliance with national standards.
- Dynamically adjusting construction plans based on monitoring data to further optimize noise control measures.



## 4.4 Responding Climate Change

We deeply understand the profound impact of climate change on the sustainable development of businesses and recognize the significant responsibility that companies bear in addressing this global challenge. We actively respond to the national “Carbon Peaking & Carbon Neutrality” strategy, committed to exploring and implementing feasible climate change solutions.

We take proactive responsibility in combating climate change, continually enhancing the research and development of green technologies, promoting the widespread application of environmental protection technologies, and implementing carbon reduction practices within our operations. Based on the Task Force on Climate-related Financial Disclosures (TCFD) framework, we dynamically identify climate-related risks and develop multi-tiered risk response strategies to continuously enhance our resilience and adaptability in the context of climate change.

### 4.4.1 Governance Structure

We have fully integrated climate-related issues into our ESG management system, ensuring that climate change concerns are closely aligned with our strategic planning. The Board of Directors is responsible for reviewing and guiding the development of climate change-related strategies, identifying major climate risks, and overseeing the implementation of corresponding response measures. The Audit Committee under the Board is responsible for systematically identifying and assessing climate-related risks, formulating targeted contingency plans, and ensuring the Company can effectively address the challenges and opportunities brought by climate change.

### 4.4.2 Energy Management

We continuously advance the optimization of our energy management system through technological innovation, equipment upgrades, and management improvements, comprehensively enhancing energy efficiency, reducing energy consumption, and minimizing greenhouse gas emissions.

#### Energy Conservation Measures



#### • Clean Energy Usage

- We adopt clean energy sources and actively promote the application of renewable energy such as solar power to reduce dependence on traditional energy and lower carbon emissions.



Solar Power Generation Facilities

- The activated carbon adsorption and on-site regeneration deep treatment project uses natural gas as fuel to reduce operating costs and energy consumption.

#### • Process Optimization and Technological Upgrades

- We have switched from the rotary disc aerator to bottom micro-hole aerators and adopted high-efficiency magnetic suspension blowers, significantly reducing energy consumption.
- A nitrification liquid internal recirculation system has been added to make full use of carbon sources in the incoming water for denitrification, thereby reducing the need for external carbon sources.

#### • Equipment Upgrades and Optimization

- We replace high-energy-consuming old equipment with new energy-saving magnetic suspension blowers and high-efficiency pumps, and install variable frequency drives to maintain efficient operation of the equipment.

#### • Operational Management Optimization

- We implement off-peak operation strategies to increase equipment utilization during low-demand periods.
- We increase facility power settings and reduce the proportion of reactive power compensation control cabinets to further lower energy consumption.



#### • Daily Energy Consumption Management

- We encourage employees to turn off equipment and use air conditioners efficiently to promote energy-saving behaviors, cultivating awareness across the entire workforce.
- Energy-saving signs are prominently posted near power switches in office areas to advocate for electricity conservation and strengthen energy-saving consciousness.

#### • Equipment Maintenance and Upkeep

- We conduct regular inspections and maintenance to prevent leaks and equipment failures, reducing energy waste and equipment downtime.

#### • Intelligent Control

- Our central control system automatically manages equipment operation by setting reasonable parameters and operating plans to enhance equipment efficiency and reduce energy usage.

#### • Energy-Saving Incentive Mechanism

- We implement an energy-saving reward system to incentivize teams or individuals who excel in energy-saving efforts. We also apply penalties and economic fines for wasteful behavior.

### Case Study: Dongying Port Activated Carbon Adsorption and On-site Regeneration Project

Since its operation, the Dongying Port Activated Carbon Adsorption and On-site Regeneration Project has effectively improved water treatment efficiency, reduced operating costs, and enhanced environmental quality. The project employs activated carbon adsorption technology and on-site regeneration processes, using natural gas as fuel to replace traditional coal. As of the end of the reporting period, the project has been operating stably, with significant adsorption effects and a substantial reduction in energy consumption, achieving both energy conservation and environmental protection goals.

### Case Study: Rushan No.1 Plant Upgrading Project

The Rushan No.1 Plant Upgrading Project aims to improve effluent water quality and reduce energy consumption. The project replaced the aeration method with bottom micro-hole aerators and adopted high-efficiency magnetic suspension blowers, significantly reducing energy consumption. Additionally, the project added a nitrification liquid internal recirculation system to fully utilize the carbon sources in the incoming water, reducing the use of external carbon sources by more than 20%. This has greatly improved water treatment efficiency and provides a replicable example of green transformation for the industry.





Kangda International Energy Consumption and Greenhouse Gas Emissions

Energy Consumption and Greenhouse Gas Emission Indicators	Units of Measurement	2022	2023	2024
Direct Energy				
Diesel	L	259,424	188,415	191,081
Gasoline	L	271,690	202,833	291,610
Natural Gas	m <sup>3</sup>	3,619	3,090	3,185
Indirect Energy				
Purchased Electricity Usage	kWh	485,410,524	444,393,251	469,395,352
Total Comprehensive Energy Consumption	tce	60,269	55,066	58,238
Comprehensive Energy Consumption Density	tce/1,000 m <sup>3</sup>	0.05	0.04	0.05
Greenhouse Gas Emissions				
Scope 1 Greenhouse Gas Emissions <sup>①</sup>	tCO <sub>2</sub> e	1,293	952	1,155
Scope 2 Greenhouse Gas Emissions <sup>②</sup>	tCO <sub>2</sub> e	327,402	306,159	325,783
Total Greenhouse Gas Emissions	tCO <sub>2</sub> e	328,694	307,111	326,938
Greenhouse Gas Emission Intensity	tCO <sub>2</sub> e/1,000 m <sup>3</sup>	0.27	0.24	0.26

4.3.4 Climate Change Risk Management

We continuously monitor the potential risks posed by climate change and, following the TCFD framework and recommendations, identify and assess the impacts that climate change may have on our operations from multiple dimensions. During the reporting period, we further strengthened our climate change risk management framework, assessing the potential impacts of climate change risks on our business operations based on our actual circumstances. At the same time, we have integrated climate risk management and response mechanisms to comprehensively enhance our resilience and adaptability to climate change challenges, ensuring sustainable development.



List of Significant Climate Change Risks

Climate Change Risk			Description of Relevance
Physical Risks	Acute Physical Risks	Strong Winds / Cyclones / Typhoons, Floods, Droughts	<p>In 2024, extreme climate events occurred frequently, with many regions facing threats of strong winds, heavy rainfall, and prolonged droughts. According to climate change projections, future climate fluctuations may intensify, and floods and typhoons will impact our facilities and operations in coastal and inland areas, particularly the stability of water resources and the reliability of wastewater treatment.</p> <ul style="list-style-type: none"> <li>In February 2024, the central and eastern regions experienced two rounds of widespread low-temperature snow and freezing weather, coinciding with the Spring Festival transportation season, severely impacting road traffic, power supply, and the production and lives of the public. Frozen roads and traffic disruptions affected the transportation and delivery of raw materials for us, causing operational suspensions. Additionally, unstable power supply affected the normal operation of wastewater treatment facilities, further intensifying business operational pressures.</li> <li>In June 2024, heavy rain and flooding occurred in South China, severely impacting manufacturing and logistics hubs in Guangdong, Guangxi, and other regions. The disaster caused suppliers to suspend production and logistics disruptions, while transportation costs increased due to detours, further raising our operating costs.</li> <li>In July 2024, heavy rains occurred in southwestern, central, and eastern Henan Province, with areas such as Nanyang, Zhumadian, and Luohe experiencing torrential downpours. This extreme weather had multiple impacts on our operations and projects in Henan, including project delays, facility damage, overloading of wastewater treatment systems, and supply chain disruptions. Flooding at construction sites, equipment malfunctions, and transportation disruptions increased maintenance and operational costs. Additionally, the safety risks for employees working outdoors increased, further affecting project progress.</li> <li>In early September 2024, the super-typhoon “Yagi” made landfall along the coastal areas of Wenchang, Hainan and Xuwen, Guangdong, affecting the operation of our wastewater treatment equipment in Guangdong, increasing maintenance and recovery costs.</li> </ul>

Climate Change Risk			Description of Relevance
Physical Risks	Acute Physical Risks	Extreme Weather	<p>According to research by the National Climate Assessment, under the RCP8.5<sup>③</sup> scenario, it is expected that by 2081-2100, extreme high-temperature weather in China will increase by 3.6 to 7 ° C compared to the baseline period of 1985-2005. The central and eastern regions will experience the most significant temperature rise, with the average temperature increase potentially reaching around 6°C. This change indicates that extreme heat events will become more frequent and intense in the future, which will have a profound impact on infrastructure, energy supply, and daily life. At the same time, the frequency and intensity of extreme cold events are expected to rise, potentially causing supply water network and sewage facilities to break due to the cold, thus adversely affecting the operation efficiency of wastewater treatment systems.</p> <ul style="list-style-type: none"> <li>In July 2024, the East and Central China regions experienced 20 consecutive days of temperatures exceeding 40° C. This trend suggests that the frequency and intensity of extreme high-temperature weather will continue to increase in the future, directly threatening the health and safety of our outdoor workers, as well as increasing the risk of equipment failure and the need for facility maintenance. Furthermore, high temperatures also led to a significant rise in cooling demand for office parks and project sites, further driving up energy consumption and operational costs.</li> <li>In the winter of 2024, the central and eastern regions of China experienced multiple strong cold waves, with some areas facing large-scale rain, snow, and freezing weather. Extreme cold temperatures significantly impacted outdoor operations and facility operations. Low temperatures may cause supply water and sewage pipelines to break, decrease equipment operational efficiency, and even lead to facility damage, increasing maintenance and repair costs. In addition, extreme cold weather also affected outdoor operations and equipment and instrument operation in some of our operating areas, further intensifying operational pressure.</li> </ul>
	Chronic Physical Risks	Rising Average Temperatures and Precipitation Variability	<p>Compared to 1950-198, the probability of extreme precipitation events is expected to significantly increase by 2050.</p> <ul style="list-style-type: none"> <li>The sustained rise in temperatures over the next few years will directly affect the safety and efficiency of outdoor operations, while extreme weather will also test the durability of facilities. It is expected that our operational costs in southern and central regions will increase due to rising cooling demand.</li> <li>In 2024, some regions in China experienced uneven large-scale precipitation, with climate change causing changes in precipitation patterns, leading to more challenges in the operation and maintenance of infrastructure. Extreme precipitation events will increase project construction costs and maintenance and repair expenses, affecting our overall operational efficiency.</li> </ul>




Climate Change Risk			Description of Relevance
Transition Risks	Policies, Laws, and Regulations	Policies, Laws, and Regulations	<p>With increasing global attention on climate change, regulatory enforcement is also becoming stricter. In April 2024, the Hong Kong Stock Exchange (HKEX) published the <i>Consultation Conclusions</i> on optimizing climate-related disclosures under the ESG framework. This requires companies to gradually disclose climate resilience strategies, supply chain carbon footprint data, and other climate-related information. These policies mandate accelerated carbon emissions reduction and stricter oversight of green production. Companies failing to comply may face substantial fines and reputational damage. As a result, we will see an increase in compliance management costs when responding to these policies.</p>
		Increasing Carbon Pricing on Greenhouse Gas Emissions	<p>In May 2024, the Interim Regulations on Carbon Emission Trading Management officially came into effect, marking the beginning of a “strict regulation era” for the national carbon market. At the same time, China continues to refine its carbon pricing mechanism, with expectations that greenhouse gas emissions pricing will further rise. This trend will drive companies to accelerate low-carbon operation measures, including acquiring energy-efficient equipment, improving energy utilization efficiency, and expanding the use of renewable energy. However, these initiatives may lead to increased operational costs in the short term. Given that our production operations and daily office activities involve carbon emissions management, we will be directly impacted by the new regulations.</p> <p>To respond to this trend, we must take the following measures:</p> <ul style="list-style-type: none"> <li>Optimizing the Energy Structure: Reduce carbon emission intensity by acquiring energy-efficient equipment and integrating renewable energy, though this may lead to short-term increases in equipment investment and operational costs.</li> <li>Enhancing Carbon Management Capabilities: Strengthen the monitoring and reporting of carbon emissions to ensure compliance with regulations while exploring potential opportunities in the carbon trading market.</li> </ul>



Climate Change Risk			Description of Relevance
Transition Risks	Policies, Laws, and Regulations	Implementing Energy Conservation and Emission Reduction Actions	<p>In May 2024, the State Council issued the <i>2024–2025 Energy Conservation and Carbon Reduction Action Plan</i>, which aims to strictly control fossil energy consumption, significantly increase non-fossil energy consumption, and drive energy structure transformation. By the end of 2025, non-fossil energy generation is expected to account for approximately 39% of total electricity production. Additionally, policies will enhance the ability to absorb renewable energy and promote the trading of green electricity certificates. With the stricter implementation of these policies, we may face higher emission reporting requirements and regulatory pressure in its high-energy-consuming business sectors.</p> <p>To better adapt to increasingly stringent emission policies, we must accelerate the innovation and application of green technologies, particularly in the renewable energy sector. This will lead to long-term cost savings and enhance market competitiveness. Moreover, proactive policy compliance can improve our reputation in environmental protection and sustainability, attracting new customers and investors.</p>
	Market Demand	Changes in Market Demand	<p>As environmental awareness grows, customer expectations for wastewater treatment may shift from simply meeting discharge standards to resource utilization (e.g., reclaimed water reuse, sludge resource recovery). Failure to adjust business strategies in time could result in a loss of market competitiveness. To address this shift, we should take the following measures:</p> <ul style="list-style-type: none"><li>• Technological Innovation and Development: Invest in R&amp;D of new technologies, such as reclaimed water reuse and sludge resource recovery, to improve wastewater treatment efficiency and resource recovery rates, thereby meeting evolving customer needs and expanding the technology service market.</li><li>• Providing Value-Added Services: Offer services related to resource utilization, such as intelligent wastewater management and resource recovery. By integrating data analysis and optimization management, we can enhance overall service value and strengthen customer loyalty.</li></ul>





We place great emphasis on the risks posed by climate change. In response to extreme weather events such as typhoons and heavy rainfall, we proactively develop and refine climate risk contingency plans to ensure the effective implementation of targeted response measures. Through a multi-dimensional approach—including risk management, operational security, technical support, and regular drills—we systematically enhance our risk prevention capabilities and emergency response capacity, ensuring stable and safe production operations.

## Climate Risk Response Measures

 Enhancing Risk Identification and Contingency Planning	<ul style="list-style-type: none"><li>• Establish a multi-tiered risk identification mechanism to systematically assess risks associated with floods, typhoons, and heavy rainfall.</li><li>• Develop specialized emergency response plans tailored to different climate risks.</li></ul>
 Strengthening Operational Safeguards	<ul style="list-style-type: none"><li>• Optimize operational parameters to enhance equipment resilience against climate risks.</li><li>• Reduce operational disruption risks through equipment upgrades and centralized procurement.</li></ul>
 Technical Innovation Support	<ul style="list-style-type: none"><li>• Increase investment in research and development, introducing low-energy, high-efficiency equipment and facilities.</li><li>• Utilize intelligent monitoring systems to track the impact of climate change on operations in real time and adjust response strategies accordingly.</li></ul>
 Regular Drills and Training	<ul style="list-style-type: none"><li>• Conduct periodic emergency drills for extreme weather events such as typhoons, heavy rainfall, and floods to ensure the effectiveness of contingency plans.</li><li>• Monitor the stock of emergency supplies to guarantee adequate preparedness.</li></ul>

## Enhancing Typhoon Response Measures

During the approach of Typhoon “Kaimi” , we swiftly activated our emergency response plan and implemented a series of comprehensive safety management measures to ensure the safety of both the facility and our employees.

 <b>Safety Hazard Inspection</b>	<ol style="list-style-type: none"> <li><b>On-Site Patrols</b> <ul style="list-style-type: none"> <li>Strengthened on-site inspections and adjusted operations promptly based on weather conditions and incoming water levels and volume.</li> <li>Increased surveillance of high-voltage power lines and electrical equipment.</li> <li>Conducted thorough inspections of production and office areas, notifying landscaping maintenance teams to implement reinforcement measures in advance.</li> </ul> </li> <li><b>Safety Checks</b> <ul style="list-style-type: none"> <li>Conducted comprehensive inspections of production, office, and residential areas to eliminate safety hazards.</li> <li>Strengthened equipment management with timely maintenance and replacements.</li> </ul> </li> </ol>
 <b>Traffic Safety Management</b>	<ul style="list-style-type: none"> <li>Closely monitored the impact of typhoon conditions on transportation and enforced traffic safety measures.</li> </ul>
 <b>Emergency Preparedness for Operations</b>	<ol style="list-style-type: none"> <li><b>Emergency Supplies</b> <ul style="list-style-type: none"> <li>Stocked sufficient typhoon preparedness materials.</li> </ul> </li> <li><b>Emergency Knowledge Training</b> <ul style="list-style-type: none"> <li>Provided employees with safety knowledge and self-rescue skills for typhoon conditions.</li> </ul> </li> </ol>
 <b>On-Site Duty Management</b>	<ul style="list-style-type: none"> <li>Strengthened on-site duty shifts to ensure dedicated personnel were available to handle emergencies during the typhoon.</li> <li>Maintained heightened vigilance among all departments and personnel to ensure safe facility operations.</li> </ul>

## Case Study: Emergency Power Outage Drill

To enhance employees' ability to respond to sudden power outages and prevent environmental pollution caused by sewage overflow, Wenzhou Chuangyuan Water Co., Ltd. conducted an emergency power outage drill on March 14, 2024. The drill simulated a scenario in which the Xipian Wastewater Treatment Plant experienced a power outage due to a high-voltage line failure, causing equipment shutdown. Using a combination of “tabletop exercises and practical drills” , the exercise covered emergency command, emergency repairs, environmental monitoring, and fault troubleshooting. This drill significantly improved employees' emergency response capabilities and tested our emergency coordination and collaboration capabilities.






Emergency Power Outage Drill

## 4.5 Biodiversity Conservation

We prioritize biodiversity conservation by integrating scientific planning and ecological restoration to promote harmony between project development and the natural environment. We incorporate ecological principles into project design to protect and enhance regional biodiversity.



### Biodiversity Conservation Measures

 <b>Vegetation Restoration and Optimization</b>	<ul style="list-style-type: none"> <li>Plant submerged vegetation, floating-leaf plants, shrubs, and groundcover within project areas to create a multi-layered vegetation system that provides habitats for local flora and fauna.</li> </ul>
 <b>Ecological Corridor Development</b>	<ul style="list-style-type: none"> <li>Plan ecological corridors around project sites by planting native vegetation to attract birds, insects, and other wildlife, enhancing regional biodiversity.</li> </ul>
 <b>Aquatic Ecological Restoration</b>	<ul style="list-style-type: none"> <li>Introduce submerged and floating-leaf plants into water bodies to improve water quality and provide suitable habitats for aquatic organisms.</li> </ul>



# Building a Harmonious Society with Love

We focus on green co-development and philanthropic initiatives, continuously deepening community engagement through various public welfare projects. Upholding the corporate philosophy of “Goodness and Greatness”, we unite the strength of all Kangda employees to fulfill our corporate social responsibilities through concrete actions, contributing to a more harmonious society.

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## 5.1 Green Co-Development

As a professional service provider in water environment management, we operate across three key sectors: urban water services, comprehensive water environment management, and rural wastewater treatment, striving to create livable urban and rural environments. With cutting-edge environmental technologies and extensive operational experience, we actively expand our presence in the urban water services market. Guided by the principle of “Sincere Commitment and Repaying the Society”, we drive ecological civilization development and contribute to a greener, more sustainable future.

### 2024 Green Co-Development Overview

A total of **110** service concession projects  
**104** wastewater treatment plants and  
**1** water supply plant  
**3** sludge treatment plants and **2** reclaimed water plants  
**3** sludge disposal projects  
 with a total disposal capacity of **550** tons/day  
**2** reclaimed water projects, with a total treatment capacity of **65,000** tons/day  
**2** rural wastewater treatment projects  
**2** ongoing comprehensive water environment management projects  
**100** operational wastewater treatment projects  
 with a current wastewater treatment capacity of **4.09** million tons/day

### 2024 Environmental Performance

Total water treated: **1,278.4** million tons, including:

**1,274.0** million tons of wastewater treated

**4.4** million tons of reclaimed water processed

**323,308.28** tons of COD removed

We adhere to the concept of green development, focusing on the core business of water and environmental protection. We drive project upgrades through technological innovation and comprehensively enhance wastewater treatment standards. By refining treatment processes and strengthening project operations management, we are advancing comprehensive water environment management to protect natural ecosystems with clear water quality.

### Breaking New Heights in Water Operations Standards to Improve Water Environment

We continuously improve water operations through technological innovation and refined management, contributing to water environment improvement. The Wenzhou Water Plant was designed with a discharge standard of National Class I-A, but the actual discharge met Zhejiang Province's Clean Discharge (Grade IV) standard. Similarly, the Weifang Yuhe Plant, with a design goal of National Class I-A, achieved a discharge water quality that met the Grade V standard.

With discharge standards higher than national regulations, we demonstrate our outstanding technical strength and environmental responsibility, setting an industry benchmark for water environment management.





## 5.2 Public Welfare and Charity

We actively engage in environmental protection education and community services, striving to become a high-quality ecological environment education base. We continually explore new models of public welfare, integrating quality resources to serve society, and demonstrating the warmth of the enterprise through actions, contributing to the construction of a better society.

### Environmental Protection Education

Leveraging our expertise in water management, we have built an environmental protection education platform. Through events such as World Environment Day activities and Corporate Open Days, we engage in face-to-face communication with the public, showcasing wastewater treatment processes and fostering nationwide awareness of water conservation and environmental protection.

#### Shenxian County Kangda Participates in World Environment Day Activities

On June 5, 2024, Shenxian County Kangda participated in the “Environmental Facility Open Day, Exploring Wastewater Treatment” World Environment Day themed publicity event, hosted by the Shenxian County branch of the Liaocheng Ecological Environment Bureau. We welcomed several key officials and over 50 students and teachers from Shenbei Middle School’s affiliated primary school to visit our integrated biological system, sludge disposal system, and effluent discharge area. By combining water treatment business development with water resource education, we helped students and teachers visually understand the wastewater treatment process and its working principles.



#### Taiyuan Kangjin Hosts Faculty and Students from Taiyuan University of Technology for a Visit and Study Tour

On May 21, 2024, Taiyuan Kangjin Water Co., Ltd. hosted approximately 110 faculty members and students from the Environmental Engineering department of Taiyuan Institute of Technology for a visit and study tour. During the visit, Taiyuan Kangjin explained the process model and wastewater treatment processes, allowing the faculty and students to gain a more intuitive understanding of the pre-treatment, biological treatment, advanced treatment, and discharge processes of wastewater. This deepened their awareness of the critical role wastewater treatment plants play in improving water environments and further strengthened their environmental and ecological consciousness.



### Community Care

We adhere to the original intention of giving back to society, continuing to deepen our public welfare footprint in 2024. We organized employees to participate in various community service activities such as environmental protection volunteer work and traffic volunteer activities, gathering the strength of our staff and investing RMB 1.061million to convey our care, building a warm bridge between the Company and society.

#### Taiyuan Kangjin Organizes Xiaohe Environmental Protection Volunteer Activity

During the reporting period, Taiyuan Kangjin organized young members of the Youth League to conduct a riverbank cleanup and environmental protection volunteer activity at the Xiaohe Donglijie Village section. The young volunteers meticulously searched for and cleaned up every piece of litter along the Xiaohe Riverbank, along the effluent discharge area of the Fendong Sewage Treatment Plant. This hands-on action embodied the spirit of volunteer service, contributing to ecological environmental protection and showcasing the social responsibility and commitment of the new generation of youth.



#### Taiyuan Kangjin Organizes “Civilized Traffic, Safe Travel” Traffic Volunteer Activity

Taiyuan Kangjin’s volunteer team assisted traffic police at the Wanbailin District’s Civilized Traffic Demonstration Post, carrying out the “Civilized Traffic, Safe Travel” volunteer service activity. Volunteers helped direct traffic, guided pedestrians and vehicles to pass safely, and discouraged uncivilized behaviors such as jaywalking and not wearing helmets. They advocated for the public to abandon bad traffic habits, promoting the concept of civilized travel and contributing to the construction of a civilized society.



# APPENDIX

## Index of the Environmental, Social and Governance Reporting Guide of the Hong Kong Stock Exchange

Environmental, Social and Governance Subject Areas, General Disclosures and KPIs Index

### A.Environmental

A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	P63-77
	A1.1	The types of emissions and respective emissions data.	P63-71
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P71
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P67
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P67
	A1.5	Description of emissions target(s) set and steps taken to achieve them.	P58-71
	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.	P58,66
A2 Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	P59-62
	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).	P71
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P59
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	P58,69-70
	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.	P58-60
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	P62
A3 The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	P55-78
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P55-78
A4 Climate Change	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	P69-77
	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.	P69-77

### B.Social

B1 Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	P39-52
	B1.1	Total workforce by gender, employment type (for example, full or part-time), age group and geographical region.	P41
	B1.2	Employee turnover rate by gender, age group and geographical region.	P41

B2 Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	P49-50
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	P52
	B2.2	Lost days due to work injury.	P52
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P51-52
B3 Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	P44
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	P46
	B3.2	The average training hours completed per employee by gender and employee category.	P45-46
B4 Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	P39
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	P39
	B4.2	Description of steps taken to eliminate such practices when discovered.	P39
B5 Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	P31
	B5.1	Number of suppliers by geographical region.	P33
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	P31
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P32
B6 Product Responsibility	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P31-32
	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.	P25,27
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable
	B6.2	Number of products and service related complaints received and how they are dealt with.	P32
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	P30
	B6.4	Description of quality assurance process and recall procedures.	P25-26
B7 Anti-corruption	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Not applicable
	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.	P21-22
	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.	P21
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	P21
B8 Community Investment	B7.3	Description of anti-corruption training provided to directors and staff.	P21
	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.	P83
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	P81-84
	B8.2	Resources contributed (e.g. money or time) to the focus area.	P81-84